

# The National Underwriter

LIFE INSURANCE EDITION

THURSDAY, DECEMBER 15, 1921

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## Standards:

Whether it be the agent in the field, or the home office executive, each must have definite standards to gauge himself and his work. He cannot make them too high—they cannot be idealistic, impossible of fulfillment, neither can they be so low that they are ineffective. They must be carefully arrived at, so that they will work to the best possible advantage for the policyholder.

This is the aim of the Standard Life and its satisfied group of agents. The Standard has set definite standards not only for its home office in the rapid and efficient handling of the agents' business, but its agents also have the help and counsel of the home office in setting their standards to work in perfect harmony with the conditions peculiar to their respective fields.

*It pays to standardize on the Standard*

**STANDARD LIFE INSURANCE COMPANY**

Decatur, Illinois

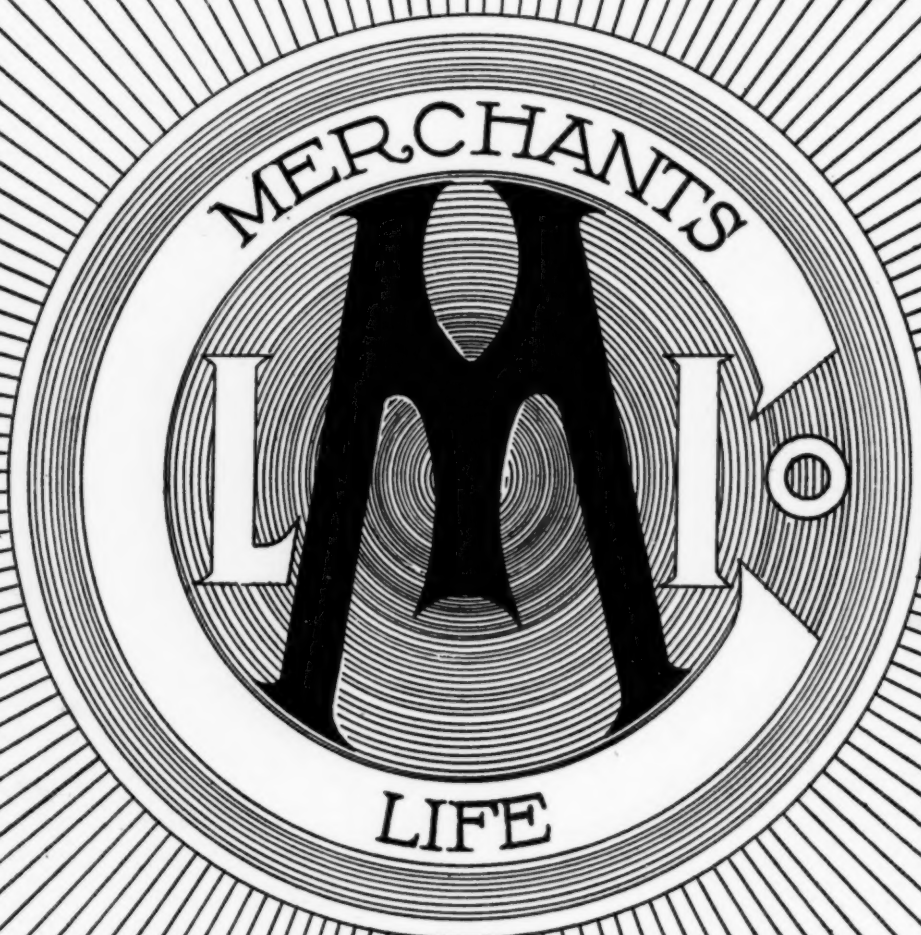
J. R. PAISLEY, President

W. D. LIPE, Director of Agencies

**The Iowa Compulsory Deposit Law**

REQUIRES Iowa Life Insurance Companies to  
MAINTAIN the legal reserve on all policies and to  
INVEST such funds in approved securities and to  
DEPOSIT these securities with the State of Iowa to be  
HELD IN TRUST for the purpose of fulfilling all  
POLICY CONTRACTS.

Policyholders of the Merchants Life have the advantage of the protection and guarantee that the Compulsory  
Deposit Law of Iowa affords.



**MERCHANTS LIFE  
INSURANCE COMPANY**  
William A. Watts, President  
**DES MOINES, IOWA**



# The National Underwriter

## LIFE INSURANCE EDITION

Twenty-Fifth Year. No. 50

CHICAGO, CINCINNATI AND NEW YORK, THURSDAY, DECEMBER 15, 1921

\$3.00 per year, 15 Cents a Copy

### SOUNDS WARNING NOTE ON CONTROL BY STATE

Walton L. Crocker, President of John Hancock, Speaks Before Life Presidents

### HARMONY SHOULD BE AIM

Cooperative Relationship Seen Between State and Insurance—Danger of Encroachment

"The Relationship of Insurance and the Modern Political State" was the subject of a paper read by Walton L. Crocker, president of the John Hancock



**WALTON L. CROCKER**  
President John Hancock Mutual Life

Mutual, before the Life Presidents' convention last week. Mr. Crocker gave an able discussion of the development of the socialistic and communistic state and the dangers of its encroachment upon insurance, his words denoting much study on the entire subject of state government and insurance relationship. Discussing the condition of state and society in Europe, Mr. Crocker compared the freedom possible in this country, although emphasizing the dangers evident from certain actions in individual states. He said in part:

#### Acceptance of Principle

"The rapid acceptance of the insurance principle, during a generation, has brought it in that period from a relatively obscure position in practical economics to one of universal importance. It is a legitimate product of individualistic society. Through various organizations has been gradually built a great system by which the people cooperate in absorbing the shock of economic loss. A broad concept of it is the voluntary association of free citizens for the purpose of mutually sharing losses occur-

(CONTINUED ON PAGE 14)

### LIFE COUNSEL GATHER

#### WAKEFIELD IS PRESIDENT

Problems of Life Company Entering Accident Field Discussed—Other Good Addresses

NEW YORK, Dec. 13.—A series of papers of high interest primarily to life insurance company executives and to their legal advisers, but of concern to field workers as well, was presented at the annual gathering of the Association of Life Insurance Counsel.

Chandler Bullock, of the State Mutual Life, discussed "Binding Receipts," quoting several legal decisions affecting their applicability under varying conditions. "Fraudulent Life Insurance Cases," was the general subject considered by W. C. Michaels, a prominent attorney of Kansas City, who has had extended experience in life insurance litigation. A companion of the laws governing life insurance activities in the Dominion of Canada and the regulatory statutes of the United States, was made by V. Evan Gray, superintendent of insurance at Ottawa.

#### Points on Disability Field

LeRoy A. Lincoln, of the Metropolitan Life, enumerated some of the many questions encountered by a life insurance company that essayed to enter the accident and health underwriting field as well, and how these could most effectively be disposed of. As his company made the departure a few months ago Mr. Lincoln's statements were of especial value, and were closely followed by his auditors. Other life companies planning to add the casualty lines above named will find their preliminary efforts thereto made far easier by virtue of the practical suggestions advanced by Mr. Lincoln. Prior to his association with the Metropolitan Life, Mr. Lincoln was counsel for the New York insurance department and hence is peculiarly well informed as to state insurance requirements.

"Grace" in the matter of premium payments was the subject chosen by Walter F. Seay, of the Southard Life, for his carefully prepared paper, while Louis Danziger, of the Massachusetts Mutual, spoke upon the "Statutory Privileges of Physicians with Respect to Patients' Communications."

#### New Officers Elected

Following the submission of the papers the association elected officers for the new year; those here named being unanimously chosen:

President, John L. Wakefield, John Hancock Mutual Life; vice-president, Frederick L. Allen, Mutual Life; secretary-treasurer, William J. Tully, Metropolitan Life.

Members executive committee: Edward D. Duffield, Prudential; J. H. McIntosh, New York Life; George Lines, Northwestern Mutual Life; Chandler Bullock, State Mutual Life, and Alfred Murrell, Prudential.

Three members were added to the roll of the organization: E. Paul Hutter and W. Wesley Deacon, of the Penn Mutual Life, and Burkett Miller of the Volunteer State Life.

The meetings of the association were

### NO PROGRESS IS MADE

#### AGENTS' QUALIFICATION BILL

Considerable Opposition Arose to the Proposed Measure at Insurance Commissioners' Gathering

NEW YORK, Dec. 8.—No conclusion was reached as to the proposed agents' qualification bill submitted to the Insurance Commissioners' Convention by a committee of which Commissioner Donaldson of Pennsylvania is chairman. Ably championed by Mr. Donaldson and by Commissioner Ramey of Kentucky, both asserted that the bill merely afforded a basis for the enactment of statutes to meet the particular needs of each state, and that its sole purpose was to elevate the class of men engaged in the insurance agency business.

Deputy Commissioner White, of West Virginia, made a vigorous speech in opposition, declaring that the suggested measure was un-American, and that one effect of its enactment would be to relieve the companies of responsibility for the selection of their local representatives. He further averred, that should it be put into force companies might be tempted to look to the state for the collection of defaulted premiums, and said that other serious entanglements would ensue. Mr. White later admitted that he had not read the bill as finally amended by the committee. President J. L. Case of the National Association of Insurance Agents, who was to have appeared in advocacy of the measure, unfortunately failed to get to the convention hall until the matter had been tabled.

While the general adoption of an agents' qualification bill is desirable from many standpoints, it was apparent from the discussions had today that further educational work upon the subject will have to be done before the commissioners as a whole will give the measure their complete endorsement.

#### Life Insurance in Text Book

Life insurance comes in for a prominent place in a text book, shortly to be published by the Chattanooga, Tenn., Chamber of Commerce, which is to be used in the sixth and seventh grades of the public schools of Hamilton county. The aim of the book is to educate the children of the county as to the different business enterprises and industries of Chattanooga and Hamilton county.

The chapter on life insurance was prepared in the agency department of the Volunteer State Life, under the supervision of Minor Morton, vice president and agency manager of that company, and is written so as to be easily understood by the youths who will be required to digest it.

held as in former years, in the rooms of the Bar Association, and were well attended. Considering the educational value of the annual gatherings of the body the wonder is not that the membership of the organization is so substantial, but that it does not embrace representatives of every company in the land eligible to join.

### LIFE PRESIDENTS HOLD NOTABLE CONVENTION

Growing Membership and Increasing Attendance Shows Efforts Appreciated

#### REELECT OLD OFFICERS

George T. Wight, Secretary and Manager, to Head Executive Committee—Resolutions Adopted

NEW YORK, Dec. 13.—Notable for the high quality of the talent secured to address the annual conventions of the Association of Life Insurance Presi-



**GEORGE T. WIGHT**  
New Chairman of Life Presidents

dents, and instructive and enjoyable as these talks usually are, the gatherings serve an even more useful purpose in bringing together once a year the chief executives of the active life insurance organizations of the United States and of Canada, and permitting them to become better acquainted one with another, a privilege peculiarly appealing to those resident in centers away from New York. That the work of the association is appreciated is sufficiently attested by the growing membership of the organization, and the increasing attendance at its annual meetings. They are always held at a season when company officials are particularly burdened with work, and yet these executives appreciate the benefits to be derived from foregathering with their associates.

#### Officers Are Reelected

Sensibly concluding that as the affairs of the association were well directed by those in charge during the past year, the organization unanimously re-elected the former officers for another twelve

months. John D. Sage, president of the Union Central Life, was given the place of the late Jesse R. Clark upon the directorate.

The officers are now: George T. Wight, secretary and manager; Job E. Hedges, general counsel; Frederick C. Dunham, attorney; George W. Smith, actuary; Orlow H. Boise, statistician; Mott A. Brooks, assistant secretary.

Executive committee: George T. Wight, chairman; Louis F. Butler, George I. Cochran, W. A. Day, Forrest F. Dryden, Haley Fiske, Alfred D. Foster, Frederick Frelinghuysen, Fred A. Howland, Darwin P. Kingsley, Charles A. Peabody and John D. Sage.

The London Life of Canada was enrolled as a member. The international character of the gathering was made evident by the blending of the Stars and Stripes with the Union Jack upon the wall behind the platform; the fact that the chairman of the gathering was Herbert C. Cox, president of the Canada Life, the appearance among the speakers of Rev. Canon Cody, a noted Canadian divine, and attendance at the convention of a large number of men from the other side of the border.

#### Resolutions Adopted

The resolutions adopted in commenting on the figures submitted at the convention declared that they furnish assurances that economic conditions are already appreciably stabilized. In that connection they say:

#### Holcombe's Figures Valuable

Expressions of optimism do not make prosperity. Therefore, at a moment when governmental authorities, both federal and state, and thoughtful men in every walk of life are seeking to restore the nation to a sound and healthful normal basis, the Association of Life Insurance Presidents invites attention to facts disclosed at this its 15th annual convention, which furnish reassurance that economic conditions are already appreciably stabilized by the continuing and unshaken confidence and persistent thrift of large numbers of the American people.

The number of new policies of life insurance issued during the year will approximate 13,150,000—within less than 1 per cent of the supreme record of 1920. Although the aggregate of these policies, \$8,535,000,000, is 15 per cent less than the total for 1920, it exceeds by \$725,000,000 the amount issued in the prosperous year 1919.

#### Showing in Policy Loans

Policyholders generally are exercising with commendable caution the right to apply the accumulations under their policies to immediate personal use and individual needs, as evidenced by the fact that but 14.68 per cent of the reserves have been taken as policy loans—compared with 17.97 per cent in 1914—thus permitting a continuance of that progressive increase in life insurance policy holders' funds available for investment in response to manifest national economic requirements, which has characterized the decade ending Dec. 31, 1920, when American life insurance companies held admitted assets aggregating \$7,319,997,019.

These figures are eloquent of sound habits and compelling faith. The attitude of mind reflected in provision for the future through present effort insures that prosperity has revived, and requires only continuance of courage and service for complete restoration.

#### Endorse Disarmament Conference

Whereas, the original conception underlying the business of life insurance is a practical application of the bearing of each other's burdens; and

Whereas, the time has arrived in the history of world relations when the nations are hopefully looking forward to a better international understanding which will tend to abolish war with all its attendant miseries, now, therefore, be it

Resolved, that the Association of Life Insurance Presidents express its heartiest approbation of the Conference on the Limitation of Armaments, believing that the mutual understanding which is being reached will result in promoting permanent peace upon earth.

Of peculiar value to the life men were the figures given by President John M. Holcombe of the Phoenix Mutual Life, upon "New Life Insurance Business in 1921: What It Means." From returns

(CONTINUED ON PAGE 12)

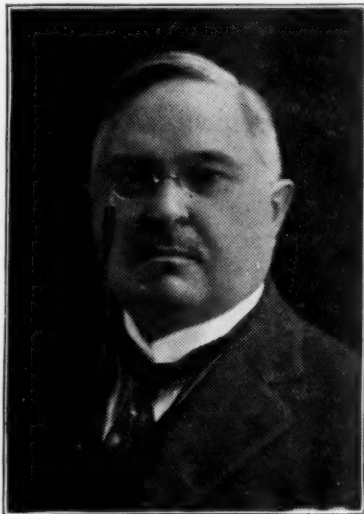
## JOHN R. McFEE'S DEATH

### WELL KNOWN IN LIFE FIELD

Was Man of Wide Knowledge—Profound Student of the Business and Gifted Writer

John Reid McFee of Chicago, who for some time has been connected with the Penn Mutual Life office in that city, died at his home in the Evanston hotel, Evanston, Ill., Friday night. Mr. McFee was stricken with angina pectoris just a week before. The malady assumed a very serious turn and Mr. McFee realized that he would not be able to overcome it.

Mr. McFee was one of the best known life insurance men in the country because of his extensive contributions to the literature of the business and his numerous addresses. He was one of the speakers before the noon-day luncheon of the Chicago Life Underwriters' Association, the Monday before he was stricken. He appeared on the program of the annual convention of



JOHN REID McFEE

the National Life Underwriters' Association at Cleveland this year.

His new book, "Hidden Liabilities and Property Ownership," published by the National Association of Life Underwriters is regarded as a very valuable work for life insurance men. It has been suggested by a number that it would be a splendid expression of appreciation for Mr. McFee's unselfish work for life men to purchase this book in large numbers so that Mrs. McFee could have the benefit of the royalty. The price is \$10.

Mr. McFee was a man of wide erudition. He was educated in the law. He was naturally of a studious mind and delved into the problems before him with great avidity. His legal knowledge influenced his life insurance soliciting. Mr. McFee was ready with his pen and was a regular contributor to THE NATIONAL UNDERWRITER. His writing was often too prolix and profound. He hit above the head of the average man. It seemed difficult for a man of his attainments to get down to earth in the presentation of a subject. Even at that, Mr. McFee's writings were eagerly read as they were authoritative. He had won a number of prize essays in the annual contest of the National Association of Life Underwriters getting both the first and second prizes. He served as secretary of the Chicago Life Underwriters' Association and was one of its faithful champions. He entered life insurance work through Manager L. Brackett Bishop's agency of the Massachusetts Mutual Life in Chicago. His entire life insurance career had

## O. J. LACY'S NEW POST

### GOES TO MINNESOTA MUTUAL

Shenandoah Life Man. Is Elected Second Vice-President of the St. Paul Company

O. J. Lacy, agency manager of the Shenandoah Life of Roanoke, Va., has resigned to become second vice-president in charge of the agencies of the Minnesota Mutual Life to succeed E. S. Albritton, who will go to Dallas, Tex., to form a partnership with Sam R. Weems, under the firm name of Weems & Albritton, state managers of the company. Mr. Lacy will take charge of the agency department Jan. 1.

For a number of years Mr. Lacy was engaged in general engineering, contracting and banking business and entered the life insurance field as an agent for the New World Life in 1914. Later he became state manager for Montana and during 1919 his agency produced more than \$2,750,000 new business. He



O. J. LACY

served as first lieutenant in the engineers during the War. Early last year Mr. Lacy took his present position at Roanoke. Under his guidance the Shenandoah Life has greatly increased its production. Mr. Lacy is 37 years of age and a thoroughly earnest man.

Harold J. Commings continues as assistant agency manager, a position he has occupied since last April.

Mr. Lacy will meet Mr. Albritton in Chicago Dec. 15 and from there will go to the home office in St. Paul to spend 10 days. Mr. Lacy will thus be able to get broken in the harness before he assumes his position formally, Jan. 1.

been spent in that city. At times he represented the National Life, U. S. A., the Equitable Life of Iowa and then the Penn Mutual.

Mr. McFee was a man of large physique. During the last few years he had some difficulty in getting about inasmuch as he had his foot amputated after a serious illness four or five years ago. Mr. McFee had a broad vision of life insurance. He saw it from its various angles. He studied the state inheritance and federal estate taxation legislation and rulings, and commented freely on them. He was frequently called upon to address life insurance men at agency meetings.

Mr. and Mrs. McFee lived at the Evanston Hotel. The interment was at Baltimore, Md., his old home.

Mr. McFee was a man of most generous impulses, fond of his friends and possessing a most kindly heart.

## COMMISSIONERS' RALLY

### MUCH BUSINESS TRANSACTED

Annual Meeting Will Be Held at Bretton Woods—Security Benefit Officers Censured

NEW YORK, Dec. 8.—The Insurance Commissioners Convention which closed its meeting today decided to hold the annual meeting at Bretton Woods, N. H. The meeting will be held some time in September. No definite decision was reached concerning the spring meeting, but it will likely be held in Miami, Fla. President Thomas B. Donaldson presided over the session in this city.

Commissioner Hobbs of Massachusetts made a suggestion that the different states print in their reports a full list of securities of domestic companies of those states. In the discussion it was brought out that many commissioners had considerable difficulty in getting their reports printed. The suggestion made, no doubt would result in much economy in those states printing lists of securities of all companies that are entered in the states. Some states, however, print no full list of securities at all. If therefore, these states were required to publish the full list of securities of companies with home offices in such states it would add a considerable burden to printing machinery.

#### Security Mutual Rapped

Commissioner Travis of Topeka was present and told about the charges that he had brought against the Security Benefit of Topeka, a fraternal. The committee on examinations approved a resolution severely censuring the officers of this concern. Their actions have been under surveillance for some time. The committee has been gathering evidence and he felt that the resolution of censure was due them.

There was considerable discussion over the use of professional examiners in making state department examinations. Some declared that the use of these examiners led to considerable dispute. Evidently the officials were not willing to go on record to eliminate them. Commissioner Savage of Iowa recommended that only examiners giving their entire time to departmental work be used. The motion of Commissioner Hobbs of Massachusetts, however, prevailed. It requires that departments making examinations of companies outside of their own states shall secure the approval of the commissioners of those states in which such companies are domiciled to the use of a professional examiner.

#### Enjoin Moving of Statue

The Pennsylvania Mutual Life of Philadelphia has brought an injunction suit to restrain the Fairmount park commissioners from moving the McKinley monument from the Philadelphia city hall plaza to a site immediately adjacent to the insurance company's property on the Parkway, 1619-1623 Arch Street. The company argued that the erection of the statue at that point would interfere with, if not actually prevent, access to and egress from the building.

#### Connecticut General's Showing

Satisfactory readjustment of business conditions as affecting insurance is indicated by the results in the Connecticut General. This company has issued more life insurance in November of this year than in the same month of 1920 and cancellations are nearly \$2,000,000 less than for the corresponding month last year. Several good business policies, including one for \$250,000, have been written. The casualty line has shown a great increase. As a whole, the business is apparently fully stabilized now.



## PURCHASE CONTROL OF GREAT NORTHERN LIFE

Chief Officials of Central Business Men's Association Acquire Majority of Stock

### INTERESTS TO BE MERGED

Administrative Office of Wisconsin Company Will Be Moved to Chicago Some Time in 1922

H. G. Royer, president, and C. O. Pauley, secretary and treasurer of the Central Business Men's Association of Chicago, and their associates have purchased a controlling interest in the Great Northern Life of Wausau, Wis. Some time during 1922 the administrative office of the Great Northern Life will be moved to Chicago, and its assets and business merged with that of the Central Business Men's Association. The Central Business Men's Association writes accident and health insurance on the mutual-plan and has built up a big volume of business. It has for some time felt the need of life insurance facilities. Many of its salesmen write \$100,000 or \$150,000 of life business annually, and in recent years many of the leading producers have requested the company to make arrangements to write life insurance. The deal has been approved by Platt Whitman, insurance commissioner of Wisconsin. Dr. David H. Keller of Chicago and Lee J. Wolfe, New York actuary, conducted the negotiations and consummated the deal.

The Great Northern Life commenced writing business in 1909. It has about \$15,000,000 of business on the books. The company has a capital of \$112,275, surplus of \$120,000 and assets of about \$1,600,000. It will write about two and a half million of business in Wisconsin this year. It is licensed only in its home state.

#### Sullivan to Be Life Manager

John A. Sullivan, vice-president, general manager and agency director, is the principal factor with the Great Northern Life. He has been with the company about ten years and for the past several years has been in direct charge of its agency operations. He is a practical, well versed insurance man. He has built up an excellent producing force for the company. Under his guidance the company has been built up conservatively but steadily. Mr. Sullivan will go with the merged company as manager of the life department. B. F. Wilson, president of the Great Northern Life, will not be with the consolidated organization.

#### History of C. B. M. A.

The Central Business Men's Association of Chicago was organized in 1907. The present management took charge in 1914. At that time the company was known as the Amicable Accident Association. Its gross premium income for 1913 was \$1,300. When Mr. Royer and Mr. Pauley assumed charge of the company it had no assets. From this a strong and vigorous institution has been built. This year the Central Business Men's Association will collect premiums of \$1,125,000. It has a sales organization of 100 full time men, is licensed in 16 states, and has admitted cash assets of \$375,000. The company is a factor in the accident and health field.

#### Royer and Pauley Strong Executives

Mr. Royer and Mr. Pauley are hustling, energetic executives. They are practical insurance men. They graduated from the ranks, being for some

## LAUNCH NEW COMPANY

WILL HAVE SOLID BACKING

Bankers National Life of Indianapolis Is Being Established by Group of Prominent Men

INDIANAPOLIS, Ind., Dec. 13.—The Bankers National Life of Indianapolis has filed articles of incorporation with an authorized capital of \$200,000. The following officers will serve temporarily until the organization is completed: E. J. Robison, chairman of the board of directors; Ed. Jackson, secretary of state of Indiana, president; I. Newt. Brown, secretary of the state board of agriculture, vice president; Samuel O. Dungan, president of the Polk Sanitary Milk Company, treasurer; William Jones, Fairmont, secretary of the state board of agriculture, secretary; Martin A. Prather, assistant secretary; C. O. Harris, deputy county treasurer, assistant secretary; Dr. William P. Garshweiler, medical director, and L. Ert Slack, special assistant to the United States attorney, general legal counsel. These men all stand high in the respect and confidence among business interests in Indianapolis and throughout the state. It is stated that the stock will be sold in blocks of not less than \$5,000 to a single purchaser.

#### Lafin Sees Improvement

In an address on business prospects for 1922, H. N. Lafin, assistant counsel of the Northwestern Mutual Life, Milwaukee, told the Milwaukee Purchasing Agents' Association last week that there are infallible signs of a change for the better, and that reestablishment of the farmer and increase in employment in cities are the two conditions absolutely necessary to secure the return of really normal conditions.

time excellent producers of disability business. They have applied themselves earnestly to the task of making a real company out of the Business Men's Association, and much credit is due them for the splendid position to which the company has been brought. Both Mr. Royer and Mr. Pauley have been prominent in the Health & Accident Underwriters Conference. At present Mr. Royer is a member of the executive committee of the organization. Last year Mr. Pauley was president of the International Claim Association, and is now on its executive committee. The Central Business Men's Association has always been clean competition for the



H. G. ROYER  
President Central Business Men's

## WILL PUSH THE PLAN

COMPANY'S AGENTS ARE USED

Northwestern National Life Explains Its Method of Dealing with Its Banking Connections

The Northwestern National Life of Minneapolis is introducing its bank savings and life insurance plan throughout its territory. W. Rolla Wilson, second vice-president, says that the sale of this insurance is restricted to the company's own agents. Neither the bankers or agents of banks are permitted to secure insurance applications. Mr. Wilson says that he believes that the combination of bank savings and life insurance is one of the most important departures in life insurance business in recent years. He feels, however, that the sale of this plan should not be placed in the hands of inexperienced appointees of banks, who do not render as intelligent a service as that of full time agents.

Under the Northwestern National plan Mr. Wilson says that it is able to secure the cooperation of the banker whose influence enables its salesmen to secure an increased volume of well-written business. He says that the plan has advantages in that it gives to the public an opportunity of purchasing insurance upon a convenient monthly plan. Next it adds to the savings accounts of the banks and in the third place it increases the volume of business for the agent.

#### Strong Texas Agency

The Ohio National Life's new Texas agency starts off with a bang. W. C. Temple standing second and J. E. Mc-Lemore third in the list of producers issued on Dec. 10. These gentlemen recently opened the Texas state agency for the company.

other companies writing accident and health business.

The new arrangement will be particularly gratifying to policyholders of the Great Northern Life. It means that their company will be greatly strengthened and better ballasted all around. A larger volume of business will of course be written by the merged company. There will be a combination of sales forces, outstanding business, and assets. Under the guidance of Mr. Royer and Mr. Pauley considerably more life business will be written, and, in addition, the consolidated company will enjoy a very substantial accident and health premium income.



C. O. PAULEY  
Secretary Central Business Men's

## GREAT SOUTHERN LIFE REPORT IS PRESENTED

Texas, Kansas and Oklahoma Review the History of the Institution

### SOME DEALS CRITICIZED

Company Is Found to Be in Good Shape and Its Affairs Well Administered

AUSTIN, TEX., Dec. 12.—Almost immediately following the sale of the Great Southern Life from O. S. Carlton and associates to E. P. Greenwood and associates there was made public here the report of examination of the Great Southern as made by three actuaries representing Texas, Oklahoma and Kansas.

"Cost of operation and expenses in general have been high," says the examiners' report, but it is known that Messrs. Greenwood et al have already lopped off in annual expenses something between \$30,000 and \$40,000.

At the outset it is stated that this is the first joint examination ever made of this company. Generally the accounts were found to be in good condition and its treatment of policyholders pronounced as first class.

Coming down through the history of the company it is stated that the capital stock increase authorized on July 8, 1919, of \$100,000 has never been made.

Analysis is made of the business acquired through the reinsurance of five life companies, the company having paid \$503,488 for insurance aggregating \$31,711,522. All of the business was non-participating except \$250,000 of the Gibraltar Life.

#### Wichita Southern Deal

It is stated that of the \$257,859 paid for the Wichita Southern, \$50,000 went to F. W. Griffin, director and agency superintendent for the Wichita Southern. The report then quotes the Texas law forbidding any officer or director of an insurance company from receiving money in such transactions.

It is further stated in the report that the company claims to have made an agreement with Mr. Griffin recently whereby he was to receive a renewal commission of 5 percent on the premiums collected on Wichita Southern business for nine years, that this agreement could not be found and no copy of it was furnished nor was there anything in the minutes of the company authorizing this contract. The only evidence was the verbal statement for such contract.

In 1918 E. P. Greenwood, then a vice president, was voted a salary of \$10,000 per year.

A similar contract was made when the Oklahoma National Life was acquired and \$85,129 paid O. E. McCartney, with the exception that the first year's renewals were to be 7 percent. This contract is on file and was commuted in 1919. Nothing is found in the minutes authorizing the contract nor were the examiners shown how the commuted figures were arrived at. The examiners assert that the contracts "were not properly termed renewal commissions. The amounts were nothing more or less than a part of the purchase price paid for the two companies and should have been so reported in the annual statement of the company."

The total income is given as \$1,891,293; disbursements, \$1,631,451; admitted assets, \$10,119,788.

Within the past six months the company sold \$595,750 par value of Liberty bonds on which it had a book loss of \$80,308. Another item shows that the in-

crease by adjustment in book value of Liberty bonds purchased was \$79,222.

Under the heading of real estate loans, the company is criticised for its loan of \$137,500 to the Wilson Hotel Company of Ranger, unincorporated, on which loan no interest or principal has been paid and there is now due unpaid interest aggregating \$18,333. The report declares that this is not a proper investment for an insurance company.

Some space is devoted to the transaction whereby John H. Kirby of Houston acquired the Great Southern Life building in Dallas for \$2,200,000, payable \$200,000 in cash and \$50,000 per year for 40 years, drawing 5 percent, contingent that the company was able to pay off a loan of \$950,000 against the building. Part of the consideration was that Houston property conveyed by Mr. Kirby at \$475,000, the company to assume the mortgage of \$165,000. All of these numerous office changes and transactions are branded as expensive and as having been a drain on the company's treasury.

#### Real Estate Mortgages

On June 30 last the company owned 450 mortgage loans amounting to \$5,685,127, all classed as first-class and worth at least double the money. The company had loaned to policyholders \$2,318,957. The company owns bonds aggregating \$655,160, which, it is declared, does not agree with the company's ledger account by \$491,440.

Analyzing the extra reserve for total and permanent disability benefit this language is used: "In valuing the installment benefit, the company sets up 15 cents per thousand in addition to the 25 cents for the waiver. This is too low. The correct extra reserve for the company's business at this time is nearer 25 cents per thousand and the reserve in this report is calculated on that basis."

#### Company Is Complimented

The company is licensed in eight states. It is recommended that its charter should be amended to permit it to engage in accident and health insurance if it is to include total disability features in its policies.

The company is complimented on the excellent condition of its books and records, its actuarial methods are declared sound, the policy forms are fair and equitable in their terms and the valuation basis is higher than that required by the laws of Texas.

The Great Southern started in 1909 and at the close of the year had business in force of \$992,000, and on June 30 last it had in force \$104,918,645, which was far its largest year except for the entire year of 1920, when the total was \$105,573,682. It must be noted that the \$104,908,645 was only for the first half of the current year, with six months remaining to exceed the highwater record of last year.

#### NEW COMPANY IS UNDER SAIL

##### Modern Life of St. Paul Will Write Nothing Less Than \$5,000 Policy After Jan. 1

The new Modern Life of St. Paul, which has been licensed, has been examined by the Minnesota department. Its capital stock paid up is \$100,000 and its net surplus is \$14,322. Its total assets are \$147,896. Its organization and all other expenses amounted to \$10,043. Its authorized capital is \$200,000. After Jan. 1, it will write nothing but \$5,000 coverage. The by-laws provide that one-third of the directors be chosen from the policyholders who are not stockholders. Each policyholder has one vote for each \$1,000 of insurance in force. It specializes on a 20-payment life policy, coverage at present ranging from \$2,500 to \$5,000. The rate on this policy at age 25 is \$30.57; at age 30, \$33.55; at age 35, \$37.19; at age 45, \$47.60; at age 50, \$55.39; at age 60, \$81.07. Former Governor Joseph A. A. Burnquist is president, John C. Abels is vice-president, Charles E. Cone is second vice-president, J. L. Lewis is secretary and assistant treasurer and E. L. Thornton, formerly private secretary to Governor Burnquist is treasurer.

Henry Paul, agent for the Travelers at Evansville, Ind., has been reelected treasurer of Hadji Temple of the Mystic Shrine at Evansville. He has held the position for the past year.

## GREAT DECREASE IN MORTALITY SHOWN

Robert Lynn Cox Gives Life Presidents Some Striking Figures

The present year is the healthiest in the history of both the United States and Canada, according to up-to-date life insurance company mortality records submitted to the fifteenth annual convention of the Association of Life Insurance Presidents. These records, covering the deaths of policyholders in 37 leading American life insurance companies for the first ten months of 1921, were presented by Third Vice-president Robert Lynn Cox of the Metropolitan Life, who said they indicated a lowering of the life insurance death rate from 9.58 per thousand, in 1920, to 8.24 per thousand in 1921. Applied to the population of the two countries, as a whole, these figures mean 153,000 less deaths than last year, which year itself had a much lower mortality than was experienced in prior years. The 1921 insurance figures show that influenza has almost disappeared from the United States and Canada, while there has been a decrease in pneumonia amounting to about 50 percent from 1920. Mortality due to automobile accidents, however, is showing a 15 percent increase this year, a probable total of 10,000 deaths being indicated. Homicides and suicides also show large increases.

#### Mortality Extremely Light

"The striking thing shown by these figures, covering 27,000,000 human lives, which of necessity reflect general health conditions throughout the country," said Mr. Cox, "is the extraordinary favorable mortality of the current year in comparison with the year 1920—a year which up to that time was one of the best which life insurance companies had ever experienced. These figures for ten months of 1921, supplemented by what we know of our mortality experience as it has been running since Oct. 31, show that the United States and Canada, as a whole, will close the year 1921 with a lower death rate than has ever been experienced by these countries in any calendar year of their history."

"Let us translate this fact into number of lives saved in 1921. The 37 life insurance companies contributing these figures transact 80 percent of the life insurance business of the country and the figures actually submitted for the first ten months of this year in comparison with the first ten months of last year are from a group of policies representing in point of number 55 percent of all now outstanding in the United States. Combining both ordinary and industrial life insurance business, these 37 companies report that while they are experienced in the first ten months of 1920, deaths numbering 205,941, for the same period this year only 184,860 deaths have occurred. This shows a reduction of 21,081 in the actual number of their death losses this year."

#### Means Saving of \$51,000,000

"But this large number does not tell with entire accuracy the whole story of the life saving of the year because it covers only ten months and the deaths of 1921 occurred among a greater number of lives at risk. By using these facts to correct our calculations it may be said that the net saving for this group of life insurance companies will amount to at least 26,402 lives. Stated in the usual mortality ratios, it means that the death rate of this year for these companies will be 8.24 per thousand instead of 9.58 per thousand, as it was in 1920."

"This mortality gain translated into money saved in the payment of death claims by all life insurance companies of the United States for 1921, measured by outstanding insurance, will amount in round numbers to at least \$51,000,000. This vast sum, with the gains made in

1920, will go far toward making up the excess losses of 1918 and 1919 occasioned by influenza, estimated conservatively at more than \$170,000,000.

#### Figures Applied to Nation

"Using the United States Census Bureau's figures for 1920 for the registration area of the United States, representing 82 percent of the population, we find the total officially recorded deaths for last year were 1,142,578. Taking the same rate of mortality for the 18 percent not covered by the registration area, we reach an estimated total of 1,389,998 deaths in the United States for 1920. Applying the saving of one and one-third lives per thousand experienced by life insurance companies for the first ten months of this year to the population of the United States and Canada, we find there will be in these two countries a probable saving of 153,000 lives in 1921 over 1920."

"Let us look now at the various causes of death as they are shown in the tables submitted herewith, covering 184,860 cases occurring during the first ten months of 1921."

#### Causes of Death Showing Decreases

	First ten Months, 1920	1921
Influenza .....	14,941	1,730
Pneumonia (all forms)....	22,243	13,708
Tuberculosis (all forms)...	25,288	22,443
Other respiratory diseases	3,489	2,732
Bright's disease.....	14,652	14,359
Puerperal state.....	3,429	3,126
Measles .....	1,148	492
Whooping cough.....	895	547
Meningitis (all forms)....	881	782
Diarrhea and enteritis....	2,392	2,327
Typhoid fever.....	1,328	*1,379
Cerebral hemorrhage.....	12,732	*12,838
Organic diseases of heart...	23,738	*24,415
External causes (excluding suicides, homicides and automobile accidents)....	10,481	10,084
Miscellaneous .....	45,035	*47,403
	182,672	158,364

#### Causes of Death Showing Increase

Cancer .....	14,604	15,865
Suicides .....	2,096	2,852
Homicides .....	1,052	1,322
Automobile accidents and injuries .....	2,311	2,624
Scarlet fever.....	651	942
Diphtheria .....	2,555	2,891
	23,269	26,496

Grand total all causes....205,941 184,860

\*Though certain causes of death show increases in actual number of deaths for 1921 over 1920, the rate per thousand is, in fact, lower because of the increased number of lives at risk in 1921.

#### Some Causes to Continue High

"We note first that 15 out of the 21 classified causes of death show a lower rate than they had for the year 1920. In some instances the reduction is very striking. Only six out of the 21 show increase. It may be of interest to consider some of the more important ones in relation to the problem of improving average mortality."

"We see at the outset that about 28 percent of deaths during this year have been caused by disease which under our present habits of life are pretty sure to continue at high ratios among the various causes of death. These diseases are cerebral hemorrhage, organic diseases of the heart and Bright's disease. In the main they are ailments of the more advanced years of life. To a very great extent they mark organic and functional break-downs. Therefore we turn for hope to the other causes of death constituting 72 percent of the total. It is among them that we must seek large results in the prolongation of the average human life."

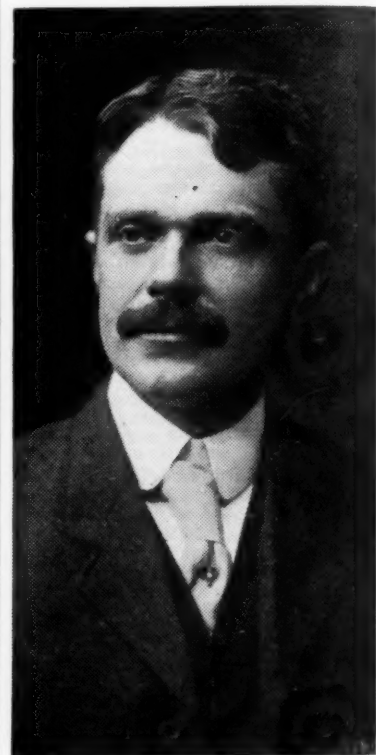
"Though we learn that tuberculosis has caused the enormous total of 22,443 deaths, that is to say about one in nine of all deaths that have occurred in 1921, we have in mind for purposes of comparison the fact that no longer than ten years ago its ratio stood at causing nearly one death among every four.

This remarkable drop in the tuberculosis death rate is one of the most conclusive proofs of how much can be accomplished when cause and cure of a disease become matters of common knowledge and of community concern.

"Within very recent years typhoid fever has been relegated to a place of minor importance, though in former years it played sad havoc with the lives of our people. This in large part is true of diphtheria, which in recent years has been largely brought under medical control and thereby put in a comparatively minor place among the causes of death."

#### Drop in Pneumonia Deaths

"Deaths from pneumonia, as reported in these tables, were only 13,708 in 1921 as compared with 22,243 in 1920, an actual reduction from this cause alone of 8,535 deaths, or nearly 40 percent. If we take into consideration the greater number of lives at risk in 1921, we might say that pneumonia is only about one-half as serious a cause of death this



ROBERT LYNN COX  
Third Vice-President Metropolitan Life

year as it was last year. Such a large and important variation as this certainly calls loudly for more intensive study of its causation and methods of prevention in order that we may be sure of holding the gain achieved in 1921.

"The most amazing factor in the health situation of the year is the almost complete disappearance of influenza as a cause of death. Only 1,730 deaths are reported for ten months of 1921 as against 14,941 for the corresponding period of 1920 which was not regarded as an epidemic year. In fact the rate has been lower in 1921 than for any other year within the last ten, and there is no indication of any upward tendency as the year is drawing to an end."

#### Menace of the Automobile

"But there are always some exceptions to be noted and mention must now be made of certain causes of death that are showing increases over those of last year. Suicides and homicides amounting to 4,174, have increased by the number of 1,026 or about four times what the increase would have been had the rate per thousand of 1920 remained constant for 1921. This doubtless is a direct result of war reactions, business



depression, unemployment and other phases of economic disturbance and will largely cure itself as times improve.

"A matter of no small concern among the increasing causes of death is the steadily mounting mortality caused by automobiles and other motor driven vehicles. The number of deaths in 1921 reported by the life insurance companies that furnished these figures for the compilation on which this paper is based, was 2,624, which is an increase of nearly 15 percent over 1920. Our experience for ten months shows that 10,000 human lives will be brought to premature deaths in 1921 by motor driven vehicles, at an economic loss to the world of at least \$25,000,000, and yet we are in the habit of counting automobiling cost in terms only of cars, gasoline, tires and accessories.

#### Extend Expectancy of Life

"The death claims paid by the life insurance companies of the United States for the year 1920 amounted in round numbers to \$350,000,000. Most of this was paid on insured men, women and children who died prematurely. In fact life conservation work as it has been developed in the last two decades has demonstrated to the point of reasonable certainty that not less than one-third and perhaps even one-half of all deaths which occur in any one year might be postponed to subsequent years varying in number somewhat according to geographical location, nationality, occupation, working conditions, etc. It has been shown, for example, in the experience of one life insurance company that within a period of ten years, the lowering of the death rate that has actually been achieved is equivalent to having added four years to the average life expectancy of its male policyholders. If America could remove tuberculosis from among the causes of mortality, which has long been the ambition of those engaged in public health work, it would be equivalent to adding at least three years to the average life span of the entire population.

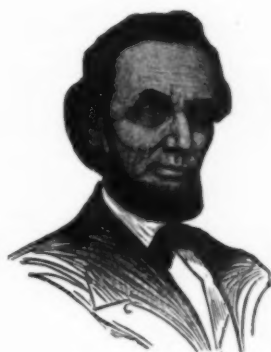
"Similar estimates made for other preventable diseases indicate that life expectancy can very reasonably be extended to an average maximum of 70 years instead of a maximum of 51 years, as shown by the Life Tables of 1910. In terms of the whole nation, such life extension makes for such enormous increase of national values that the effort would be fully justified."

#### RULING ON REINSTATEMENT

##### Important Decision Handed Down by North Dakota Supreme Court in Montana Life Case

A recent decision of the North Dakota supreme court has held that where an agent accepts a reinstatement blank and premium note, giving assurance that upon receipt of same by the company the policy should be reinstated, and where the company returned the note to the agent with instructions to get part cash payment for the premium, but the agent did not notify the insured, who died in the meantime, the insurance company is obligated to pay the insurance. The case was that of Bernard Lechler vs. Montana Life. The decision further held that as affecting the agreement, the agent acts for the company and not for the insured. It also held that the waiver clause of the policy to the effect that it cannot be altered by an agent or its provisions waived, is for the benefit of the company. This can be waived by the company and the failure to notify the insured of rejection of an agreement which he entered into honestly constitutes waiver of this provision and assent to the terms of the agent's offer.

Mr. C. B. Robbins, president of the Cedar Rapids Life, formerly a law practitioner and a judge, and in the service during the World War, was the principal speaker at the annual banquet of the Sac City Community Club, held in Sac City, Ia., last week.



## If a Salesman wills to grow with us

HE must have high ideals of service. He must be worthy of the fine fellowship of the Lincoln Life organization.

Such a man can be sure that his confidence and ability will be backed up by success-making co-operation. Every co-worker in the Lincoln Life Home Office is ready to give his best energies to the advancing of the fellow who proves himself worthy of carrying a Lincoln Life rate book.

Quick issuance of policies and acceptance of practically every application sent in are only two items in the endless service program which makes it pay to

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LINK UP WITH THE LINCOLN

## The Lincoln National Life Insurance Company

"Its Name Indicates Its Character"

Lincoln Life Building Fort Wayne, Ind.

Now More Than \$190,000,000 in Force.

## REAL ESTATE LOANS SHOW BIG INCREASE

Life Companies Have Responded  
Liberal to Demand of the  
American Public

### WING PRESENTS FIGURES

President of Provident Life & Trust  
Gives Interesting Review at Life  
Presidents' Meeting

Responding to the country-wide demand for additional shelter and for reduced living costs, the American life insurance companies during the first ten months of this year have loaned \$261,000,000 on city and farm real estate mortgages, according to original figures submitted to the 15th annual convention of the Association of Life Insurance Presidents last week. In presenting these statistics President Asa S. Wing of the Provident Life & Trust stated that the real estate mortgage loans of the life companies have been doubled in ten years, increasing from \$1,228,000,000 at the end of 1911 to \$2,468,000,000 on Oct. 31 of the present year. The amount of farm mortgages is slightly in the lead, but the new mortgages now being made indicate the beginning of a returning trend toward the city.

#### Real Estate Mortgages Lead

Real estate mortgages have jumped from second to first place in the list of life insurance investments, displacing railroad securities, which led by a large margin at the beginning of the decade

just closing, said Mr. Wing. Real estate mortgages now form more than 32 percent of the total assets of \$7,300,000,000 held by the companies to mature the policies of the American people. Railroad securities, which formed more than 35 percent 10 years ago, are now about 26 percent. The amount of the railroad securities increased from \$1,393,000,000 to \$1,793,000,000 at the end of 1920. Policy loans of \$820,000,000, rank third and United States government bonds of \$772,000,000 are a close fourth, being 11.30 percent of the assets. Other investments include state, county and municipal bonds and real estate.

#### U. S. Bonds Held

The most striking change in life insurance assets, reported Mr. Wing, is in the holdings of United States government bonds. "At the end of 1911," he said, "before these bonds were listed as a separate item, the companies held only about \$500,000 of them as compared with \$772,000,000 at the end of 1920. The appearance of United States bonds as a separate life insurance investment item occurs in the tables beginning with the year 1917, when the amount had increased to nearly \$63,000,000—a little more than 1 percent of all the assets. Three years later, with the amount increased to \$772,000,000, the percentage is 11.30 percent of the total assets. The life insurance companies have contributed liberally to two appealing demands for money during the war and since—namely United States government bonds and real estate mortgage loans. Sixty percent of the total net increase in investments for the nine-year period ending with Dec. 31, 1920, went to those two classes."

#### Meet Housing Requirements

Referring to the huge increase in real estate mortgage loans, President Wing said much of it had gone to the farmers, but that there is now a discernible trend

toward the city again to meet housing requirements. On this point he stated:

"In order that this convention might have the latest data as to the trend of life insurance investments in mortgage loans, 47 companies holding more than 93 percent of the assets of American companies have just made reports showing the total amount of their farm and city mortgages as of Oct. 31, 1921.

"I find that \$261,900,000 has been added in the ten months from Dec. 31, 1920, to Oct. 31, 1921, making a total of \$2,468,600,000 real estate mortgage loans on Oct. 31 of this year. Of this total \$1,247,300,000 is on farm property and \$1,221,300,000 on city property. Therefore, for the first time in many years, if not for the first time in the history of the country, the total amount of farm loans held by life insurance companies now exceeds the loans on city property, the proportion being 50.53 percent on farms as against 49.47 percent on city property.

#### Loans on City Property

"Of the increase of \$261,900,000 in mortgage loans during the first ten months of this year, \$161,300,000 is in farm mortgages and \$100,600,000 in city mortgages. The increase in farm mortgages is greater in amount than the increase in the city mortgages during these ten months, as was the case in 1920, but there is still the same tendency that I previously pointed out, namely, to increase the proportion of loans on city property as compared with farms. This trend of investments towards the city has been strongly manifested since 1919 and can be shown most clearly by the proportion of new money going into each class of mortgages during the last few years. Please note, during 1918 and 1919, that 91.03 percent of all the net increase in loans was on farm property and 8.97 percent on city property. In 1920, the proportion of money invested in farm loans dropped to 63.78 percent while the city

loans increased to 36.23 percent. During the first ten months of 1921, the same tendency has continued and the proportion of farm loans has dropped to 61.59 per cent, while that on city property has increased to 38.41 percent. With justifiable pride, speaking at an insurance gathering, I can point to the investment of life insurance funds where the greatest need of the nation has called. During the last six years it was vital for this nation, for itself and the part it was playing, that our agriculture should be stimulated to highest productivity. That the companies met this condition is shown in the percentage of agricultural loans. There is at the moment another imperative demand—that of construction catching up with deferred building in our cities. The national tendency of insurance company investments to meet imperative, justifiable demands is made equally clear in the now perceptible trend toward city loans again."

#### To Expand Reporting Service

The Jordan Reporting Company's president, Warren P. Edris, has just returned to New York after a Western tour which included a week's visit in Chicago, where, in conference with C. C. Dietz, manager of the Chicago office and the western division, plans were formulated for the further expansion of the company in the west. In order to handle the increasing volume of business larger space will be acquired by the Chicago office and additional Service Stations installed in many cities.

The recently established Boston office, in charge of Mr. Darby, has proven a valuable addition in rounding out the organization.

James D. Wilcox of Birmingham, Ala., state agent of the Mutual Life, was found dead in Eufaula, Ala. The indications were that he had been killed and robbed. There was evidence of a hard struggle.



## Service to Policyholders and Agency Organization

In giving a definite service to its agency force and its policyholders the Union National Life is giving more than a mere common day help. It is giving a very definite service, one that is appreciated by policyholders and one that will reflect itself in the attitude of the policyholders toward the agent in the field.

Thus it is that the agent is a good deal more than the representative of the company in his community. He is an integral part of the organization of the Union National Life, and his position is secure.

If you wish to develop yourself in your community and become a part of an organization where the problems of the local agents are appreciated, write a letter to

A. M. MILLER, President

Union National Life Insurance Company, Houston, Texas



## NUMBER OF POLICIES ALMOST EQUALS 1920

Total Production for Year But 15  
Per Cent Behind and 3 Per  
Cent Ahead of 1919

## REAL PROGRESS SHOWN

President Holcombe of Phoenix Mutual  
Reviews 1921 Business at Life Pres-  
idents' Meeting

An analysis of the present year's business and comparison with that of last year and the preceding one was made by President John M. Holcombe of the Phoenix Mutual, speaking before the annual convention of the Association of Life Insurance Presidents in New York last week. Mr. Holcombe said that despite the general depression the number of policies written this year will be less than 1 per cent below the record of 1920. He also said that the total production for 1921, while 15 per cent below last year's, will be nearly 3 per cent over that of 1919. Speaking in optimistic tones of this year's results, Mr. Holcombe said:

"I bring for your cogitation and reflection the latest figures disclosing the new life insurance business in 1921, and ask you to consider with me the significance of these figures. By so doing, we will be stimulated from the volume indicated, and by comparison and analysis can proceed more intelligently to the work of the succeeding year. Returns have been furnished by 148 of the 272 life insurance companies doing business

in the United States. These 148 companies wrote 97 per cent of the new business of 1920. Their 1921 returns are based on the actual amount of new business paid for up to Nov. 1 of this year, plus an estimate for the remaining two months.

"From these returns it is estimated that the new business record for 1921 will show the issue of 13,150,000 policies, representing insurance to the amount of \$8,535,000,000. In 1920, the number of new policies issued was 13,248,000, insuring \$10,105,000,000. The 1921 record, therefore, shows a comparatively small decrease in the number of policies issued, but about 15 per cent less in the insurance represented by these policies.

### Three Decades Compared

"Twenty years ago, in 1901, American life insurance companies wrote \$2,020,000,000 of new insurance. A decade later, in 1911, the amount of new insurance was \$2,870,000,000, an increase of a little more than one-third. In 1921, therefore, the issue was almost thrice that of 1911. In the years 1919 and 1920, the issues were much greater than ever before. Money was plentiful, and the results of the war and the epidemic of influenza had impressed upon the people the need of life insurance. In 1921, however, the business has been affected by trade conditions, strikes, loss of employment and general retrenchment. Notwithstanding this, the amount of life insurance this year will exceed that of any single year, with the exception of 1920.

"It is pertinent to note additional facts in the background in discussing the new insurance of the last three years. Up to 1919, new life insurance each year on the average, increased about 10 per cent. This was the experience covering about 20 years. One year the increase was as high as 18 per cent. Another year it was as low as 4 per cent. In four different years, including 1914, there were less. But, on the average, roughly speaking, an annual increase of 10 per



JOHN M. HOLCOMBE  
President Phoenix Mutual Life

cent is shown. Then, in 1919, came the unparalleled increase of 62 per cent over the new business of 1918.

"Most of us in the life insurance business would have been satisfied at the time if the 1920 new business had equalled that of 1919. We could hardly expect an increase. Yet it eventuated. When the returns for 1920 were in, it was found that the new business was 21 per cent greater than in 1919. Therefore, that the aggregate amount of new life insurance in 1921 is less than that issued in 1920 is cause neither for surprise nor disappointment. In moral potentiality, considering the conditions under which the 1921 new insurance was bought by the American people, the results mark progress rather than retrogression."

## IN SUBSTANDARD FIELD

### NEW COMPANY IS ORGANIZING

Michigan Life and Annuity Will Have  
Its Home Office at Petoskey—  
Heinig at Head

The Michigan Life & Annuity is being organized with home office at Petoskey, Mich., but the sales department will be in Detroit. It proposes to have \$500,000 capital and \$500,000 surplus. H. H. Heinig is the organizer and president. He has been connected with various insurance interests in Iowa. The company is being organized to write substandard business. Dr. George E. Reycraft of Petoskey has been chosen medical director and F. J. Noonan of Detroit secretary. Mr. Heinig expects to have the company in shape to begin writing business the first of April.

A health service department will be inaugurated to provide for periodical medical examination of policyholders. The frequency of these examinations will depend upon the disability. Through this department it is expected that some policyholders will get rid of their impairments and become standard risks. They will expect to pay for treatment, medicine and service.

### Rudd Agency Incorporates

The Charles B. Rudd Insurance Company at Evansville, Ind., has been incorporated with a capital stock of \$25,000. The incorporators are Charles B. Rudd, Louis Levi, Arthur J. Stumpf, Marcus F. Simon and Delepho Delephine Bruse, all of whom will serve as directors of the company. The company will continue to act as general agent of the Guardian Life at Evansville.

# Kansas Is Booming Ahead

Throughout the great state of Kansas increased production has been the answer to the hard times call. The 1920 corn crop is exceeding the 1919 crop by close to a million bushels. The 1920 average of 25.85 bushels is greater than the average production for any of the past ten years. The 1920 wheat crop which averaged 15.68 bushels per acre is greater than the ten year average by two bushels. The thriftiness and

progressiveness of the farming element is asserting itself in making Kansas the leader in the West.

Situated in the heart of this rich territory is the Liberty Life. Agents of the Liberty Life with the helpful sincere cooperation of their company are prospering with a people whose progressiveness is carrying their state forward as a leader.

Truly, Kansas is booming ahead.

## Liberty Life Insurance Company

TOPEKA

KANSAS

## THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

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### State Department Examinations

THE INSURANCE COMMISSIONERS' CONVENTION has done much constructive work. Since the commissioners organized their association, they have been able to bring about uniformity that is greatly to be desired. One of the grave abuses they cured was that of predatory examination of insurance companies. These raiding examinations were quite popular in the old days, causing a vast amount of expense with no compensatory advantage. The commissioners through their committee on examinations have developed an entirely new system which is satisfactory to the departments and the companies. It was therefore surprising at the recent meeting of the INSURANCE COMMISSIONERS' CONVENTION to learn that the Texas insurance department had sent out a circular letter to all the departments trying to participate in the examinations of every company of other states which does business in Texas. Chairman JOSEPH BUTTON in a letter to the Texas commissioner said: "I am at a

loss to understand just what you expect to accomplish by this except to keep employed constantly a number of per diem examiners. You have so recently come into the organization of insurance commissioners that you are probably not familiar with the way convention examinations are made and the comity that exists or should exist between the commissioners of the various states."

Commissioner SAVAGE of Iowa stated that in his opinion certain high priced actuaries and accounting firms were back of the Texas commissioner's action. He stated on the floor that a high priced accountant had approached him asking that he invite the Texas department to participate in an examination of an Iowa company as he, the accountant, would be employed to do the work.

We are glad to know that the INSURANCE COMMISSIONERS' CONVENTION has taken immediate steps to check any effort to return to the old examination system. It should take no backward step.

### Selling Endowments at Age 65

A life insurance general agent said the other day that he found that one of the most appealing policies these days, especially to the younger man, was a contract that matures at age 65 and then provides for monthly income settlement. This assures the purchaser of an income in his later years. At age 65, the best years of his life have been spent. His children have grown up and are self-supporting. A man probably has enough life insurance to care for his dependents, but if he is a live man, he will also look out for himself.

In approaching young men, the prospect of having a certain income in old age

should be appealing and attractive. In sending home the lessons of life insurance, agents emphasize, of course, the need of properly protecting those dependent on their prospects but frequently they overlook the equal necessity of providing for themselves, when the shadows grow long. The beauty about life insurance is that it adapts itself to all human requirements in the way of protection. It provides education for the children early in life if the head of the family is removed early in life. It protects the dependents. It also provides for the policyholder himself during his last years. This should not be overlooked.

### New Business in 1922

While the year 1921 will show a falling off in new business as compared with the phenomenal year of 1920 life insurance managers are looking for a return to the figures of 1920 in 1922. 1921 was a year of settlement and adjustment of the great business that had been put on in the two or three previous years, but companies and agents are now ready to go ahead with renewed vigor.

It will be remembered that when the government adopted its plan for soldiers and sailors' insurance it was freely predicted that there would be a great slump in new business due to the fact that all the best risks of the country between ages 20 and 35 would be taken by the government. But what was the result? The life insurance business experienced such a boom that the com-

panies could scarcely take care of the business, and agents wrote business so easily that they almost forgot how to solicit.

Of the 40 billions written by the government only about four billions remain. In the meantime the young men returned from the war are finding themselves, are settling down and becoming established in good positions where they both need and can pay for insurance. Many new names and uses for insurance have been opened up, business, women's group, income, inheritance tax, bequest and many other forms are being taken readily; the country is growing when, insurance is more popular, and is being sold in larger amounts, insurance service is more highly developed.

We predict that the writings of 1922 will go back at least to those of 1920.

### PERSONAL GLIMPSES OF LIFE UNDERWRITERS

Much interest has been shown in the east in the splendid record made by the two young men recently placed in charge of the home office agency of the New England Mutual Life, **Robert W. Moore** and **Merle G. Summers**. The young men have now had charge of the agency for two months.

In October the agency turned in \$620,500 of paid for business, which was \$140,000 more than the agency did in the same month the year previous. In November the agency turned in \$675,000 of paid for business, which was \$240,000 more than was paid for in the same month last year. The total of \$1,295,500 paid for business in two months, increasing the business of these same months of a year ago by \$380,000, gives good evidence of the existence of plenty of life insurance business when men go after it. In fact the writings for November meant something like \$25,000 for each full time agent, or \$6,000 a week for each man of the home agency.

Moore & Summers are out to make another record in December by turning in some over \$600,000 paid for business so that the total for the first three months of the agency's history under their management may reach the \$2,000,000 mark of paid for business.

**H. E. Hinrich**, who has had one year's experience in the life insurance business, is the leader for the Union Life & Accident of Lincoln, Neb., for the month. He was appointed state agent in Wyoming about Nov. 1, and on Dec. 1 had personal production of \$258,500. No policy was in excess of \$10,000. This is the company's record month production for one man. It was formerly held by Ray T. Blampied for the Idaho agency who had \$249,000 in February, 1920. The interesting feature of Mr. Hinrich's work is the fact that his territory is sparsely settled.

**Chas. W. Helsel**, vice-president of the West Coast Life of San Francisco, was elected president of the Kiwanis Club at its annual meeting last week. Mr. Helsel is also vice-president of the California Development Association and is extremely active in civic affairs, being a leader in many movements for the betterment of the city and state.

**R. J. Gibson**, who has been cashier of the Seattle branch office of the West Coast Life for several years and who was but last week appointed agency supervisor for his territory, was killed in an automobile accident Dec. 6 on what was probably his first agency trip for the company. Mr. Gibson was well known and liked among the life underwriters of the Pacific Northwest and in his new capacity had a brilliant life insurance future before him.

Outstanding figures among the members of the **Insurance Commissioners Convention** that met in New York last week were Commissioners Donaldson of Pennsylvania, Button of Virginia, Hobbs of Massachusetts, Mansfield of Connecticut and Ramey of Kentucky. Commissioner Button is now senior of the organization in point of service, having 17 years to his credit. Both by virtue of inherent ability and of his position as secretary of the convention he keeps in the closest possible contact with its activities, and is well posted upon every phase of the questions that come before it. Messrs. Donaldson, Hobbs and Mansfield are lawyers by profession, and their legal training is at once made apparent by the manner in which they analyze issues presented for review.

Superintendent Stoddard of New York is the baby of the organization, having just entered its ranks. That he will soon become an important figure is the prevailing belief of his associates. Col. Stoddard, too, is a member of the

bar, especially versed in insurance law, and has the judicial temperament. Had he not elected to accept the superintendency of the insurance department of the Empire State in succession to his former chief, Jesse S. Phillips, he undoubtedly would have been given a United States district judgeship.

Although no longer eligible to membership in the convention, Ex-Superintendent Phillips of New York was a constant and interested attendant at its sessions and followed closely discussions of the matters before the gathering. Others present who formerly served as insurance commissioners, though now associated with private interests, were Dearth of Minnesota, Hotchkiss of New York, Vorys of Ohio, Hartigan of Minnesota, Ellsworth of Michigan, Hardison of Massachusetts, Ekern of Wisconsin and Barry of Michigan.

The will of the late President **Jesse R. Clark** gives his entire estate to his widow, Carrie Marqua Clark. No estimate of the value of the estate is made. The will was dated June 1, 1888.

**Charles F. Williams**, vice-president of the Western & Southern Life of Cincinnati, who has been at Johns Hopkins Hospital in Baltimore suffering from a minor ailment, is much improved and expects to leave the hospital in a few days.

**H. A. Clark** of Princeton, Ill., general agent of the Northwestern Mutual Life, has just been discharged from Augustana Hospital in Chicago following a seven weeks' sojourn there on account of an operation for appendicitis.

(With apologies to Leigh Hunt and Abou Ben Adhem)

**A True Blue Agent** (may his tribe grow too!)

Awoke one night from dreams of prospects new,  
And saw at his bedside, lighting up the place,  
Scanning his application blanks with earnest face,

A vision which held a book of shining gold;  
Now Agent he had nerve enough so he made bold

To ask the presence, "What's the big idea?"  
The vision answered, "Have no fear,  
I seek the names of those who heed

ambition's call."  
"Am I among those present?" Agent said.

The vision turned away and shook his head.  
"But friend," said Agent, "ere you say Amen,

Just note that I protect the ambitious hopes of other men."  
The vision wrote and vanished. The next day

Found true Agent bright and early on his way.  
He talked to fathers and to sturdy sons,  
Pointing out means of thrift and ready funds;

He planned and interviewed with care,  
Leaving no prospect unaware  
Of life's uncertainties and the black despair

Of good intentions wasted.  
He paid a claim and for a home in grief  
Soothed much of anguish by the sure relief

From creditors who waited at the door  
To rob the widow of her slender store.  
He called on clients old and young,  
And praises of their forethought sung

Until in newborn light they'd see  
The value of their policy.  
That night, all weary from his toll,  
He wandered home to burn a bit more oil

Thinking up reasons by the score  
Why Jones should have five thousand more.  
As Agent slumbered in his bed that night

The vision came again in great awakening light  
To show the names that Service rendered blessed—  
And, lo! True Agent's name led all the rest!

—Verlin J. Harrold, Lincoln Life Publicity Manager, in the "Emancipator."



## POLICY LOAN TREND IS DISCUSSED BY NOLLEN

Life Presidents' Convention Given Figures by President of Equitable of Iowa

### NOW ON SECOND UP-GRADE

For Improvement and Prevention of Misuse of Loan Privilege Cooperative Understanding Is Needed

An analysis of the policy loan situation was given by H. S. Nollen, president of the Equitable of Iowa, before the convention of Life Insurance Presidents, held in New York last week. Mr. Nollen presented a galaxy of figures and charts showing the development of this phase of the business and sounded a note of warning to companies and agents to instill in policyholders a correct understanding of the value and purpose of this provision. He said that it represented one of the most important lines of service offered by the companies but that it must not be abused. He referred to the warning given at the meeting of the association in 1913, the year preceding the peak of policy loans, and then to the period of decreasing loans which followed. Mr. Nollen also traced the relationship of loans to production and the general economic conditions. He said, in part:

#### Comparison Over Years

"A graphical presentation of policy loans and premium notes to reserves from the years 1888 to September, 1921,

indicates a rise during the 23 years preceding 1915, when the maximum was reached, followed by a sudden decline during a period of four years, until 1919, when the ratios again began to rapidly increase, as indicated from the carefully prepared statistics of various companies. In order to analyze the trend of these policy loan ratios, this association has made a compilation of data reported by companies showing the amount of policy reserves and corresponding amount of policy loans and premium notes for each state and territory, and has classified these into nine regional groups to indicate the geographical distribution. A summary of the ratios for each group is given below with figures for 1907 added for comparison:

RATIO OF LOANS AND		NOTES TO RESERVES					
	1907	1911	1914	1917	1919	1920	1921
Group of States							
New England.....	12.19	14.19	15.08	13.37	11.07	11.45	11.93
Middle Atlantic.....	13.65	15.57	16.77	14.67	12.33	12.51	12.93
Central Northern.....	11.21	13.49	14.83	13.36	11.31	11.44	12.18
South Atlantic.....	13.89	18.76	23.71	23.26	18.94	19.50	22.29
Gulf and Mississippi Val..	14.18	19.11	23.99	23.51	19.76	20.17	21.94
Southwestern.....	13.26	18.73	22.34	21.89	17.44	17.49	18.76
Northwestern.....	11.88	16.62	16.41	15.00	12.55	13.87	16.05
Pacific.....	15.69	20.09	23.45	21.48	17.46	17.07	17.98
Total United States.....	13.07	15.99	17.97	16.36	13.56	13.84	14.68
Territories.....	10.51	13.57	5.43	16.98	15.81	14.05	12.39
Total U. S. and Territories	13.07	15.96	17.95	16.36	13.57	13.84	14.68
Percent, admitted assets of reporting companies to assets of all life companies in United States	....	93.19	92.78	89.92	90.69	93.34	88.87

#### General Uniformity Seen

"A glance at these figures is sufficient to indicate that there is a general uniformity in all of the groups in the trend of ratios of loans to reserves, and that the variation from the average in the United States is one of degree rather than of tendency. All attained the highest ratios in the year 1914, after which there was a general decline to the year 1919, followed by a sudden increase in the percentages since the beginning of 1920.

"The averages for each group are

fairly representative of the states contained in it, inasmuch as the groups are, in general, homogeneous. There is, however, a wide range in the percentages attained by the states in each group which they compose.

"Among all of the states, New Hampshire has persistently supplied the lowest ratios throughout the entire period, and the state of Texas has maintained the highest percentages. In 1914 the New Hampshire ratio was 11.85 and that of Texas 33.35—a difference of 21½ percent. This was the year in which most of the states attained their highest ratios, but Texas continued to increase until 1917, when it stood at the maximum of all the states—practically 38 percent, while New Hampshire had

age ratios in each group are Massachusetts, New York, Illinois, Georgia, Alabama, Texas, North Dakota and Washington.

#### Compared With Production

"It is natural to inquire to what extent the trend of new business has affected policy loan ratios. The average production for the years 1914 and 1915



HENRY S. NOLLEN

was taken as a base from which to register the relative 'paid for' business each month during the past six years. A uniform course of progress is shown until the fall of 1918 when a rapid increase in new business began and continued until about the month of March, 1920, since which time there has been a downward trend in production. The month which records the peak in production immediately precedes the

# Agents for this Company

always find us ready to help in doing whatever is best for the growth and advancement of their interests.

The active aid and cooperation of the officials of this Company—with years of insurance experience—is always open to our agents.

Our Life Insurance Contracts are right up-to-the-minute. Our Agency Con-

tracts are more than liberal. We can give good men good territory.

You can have a real confidence in your own future when you become identified with the State Life.

If you are interested, write us. A letter will receive the same courteous attention as a personal visit.

## State Life Insurance Company of Iowa

A. C. TUCKER, President  
DES MOINES - IOWA

month showing the lowest ratio of loans to policy reserves.

"The decline in loan ratios prior to March, 1920, and the subsequent rise in these ratios, has been augmented on account of the abnormal increase and subsequent change in the trend of new business written.

#### Geographical Distribution

"A comparison of the geographical distribution in which the lowest and highest ratios prevailed, led to an investigation of the predominating activities of the population in each group. As a general rule, the higher loan ratios correspond to those districts in which the larger percentage of rural population prevails. In the Pacific group, where the percentage of rural population is slightly below that of the United States, there is a higher ratio of loans; but in all other groups maintaining a lower ratio of rural population, there is a correspondingly lower ratio of loans than shown in the United States.

"The Northwestern group marks the only other exception in relative position. Its rural population is greater in proportion than the average in the United States, but until the present year its percentage of loans was considerably below the corresponding figure for the entire country. At present, it stands in the same relation as other groups and this confirms the conclusion that the trend of economic conditions has caused agricultural districts to avail themselves of loans on policies to a greater extent than other localities in which other branches of industry predominate.

"A study of the percentages indicates that the trend of loans has some dependence upon the manner in which each locality has been affected by the recent change in economic conditions.

#### Broad Extension of Loans

"Although life companies do not have a right to make the inquiry, a number of policyholders have voluntarily stated the needs that compelled them to apply

for a policy loan, and from this source we find that, particularly within the past 18 months, the following reasons have prevailed:

To pay premiums on policies.

To pay interest due on obligations to banks.

To pay maturing notes to banks, or portions of indebtedness to procure extensions on the balance.

To pay outstanding account to merchants and for professional service.

To pay rental on farms.

To pay taxes—particularly during the last half of 1921.

To purchase supplies for current needs of equipment, food and clothing.

To meet the pressing demand of creditors who could force a premature sale of stock or grain at a sacrifice.

In some instances, to invest the proceeds of the loans at a profit.

A survey of the occupations of policyholders who have recently borrowed on their policies discloses the fact that they represent every branch of human activity, and no class or locality has remained exempt. Bankers, as well as farmers; merchants and those engaged in the professions; manufacturers and executives of large enterprises, as well as employees—are mingled in the list of borrowers, which may account for the fact that in the past year the average amount loaned to each policyholder has steadily risen.

"The various reasons for their demands may all be summarized in one underlying cause—'financial stringency.'

#### Great Service Rendered

"An estimate from available tabulations indicates that the total volume of loans to policyholders is now approximately \$1,000,000,000, and it is likely that at the close of the current year the volume will have doubled in the past ten years.

"Since the beginning of January, 1920, there has probably been an increase in these loans of approximately \$200,000,000, which has been distributed among

policyholders throughout the country and through them into the communities where the greatest need for financial assistance has prevailed.

"This is indeed a notable service rendered by life insurance companies and gives renewed evidence of their utility to the public under all conditions. There is, however, a warning due policyholders who may not have a full appreciation of the responsibility they assume in placing liens upon their policies. Too many regard such loans as a withdrawal of savings for personal use instead of a mortgage upon funds intended for protection of their dependents when in great need. The failure to understand this vital fact causes neglect in repayment of loans and leads to numerous lapses of insurance and great reduction in the benefits to needy dependents.

#### Improvement in Repayment

"While general experience has proven that policy loans are not repaid in large proportions, the year 1919 is remarkable for the fact that the actual aggregate amount of loans to policyholders in all companies was reduced by the considerable amount of \$11,000,000. This was the first time in the history of the business in which there was a reduction in the amount of loans. In other years, when a decline in percentage of loans occurred, the aggregate amount of loans had nevertheless grown by reason of the increase in insurance. In 1919, however, the repayments were apparently so large as to overcome new borrowings, and in a year which had produced the greatest increase in business up to that time. This, together with the fact that during the period of greatest speculation there was a comparative decrease in percentage of loans, and that recent borrowings have been employed principally to meet urgent needs of a vast number of widely scattered policyholders, should encourage the hope that life companies may employ recent experience as the

means of better education of the public upon the functions and peculiar purposes of life insurance and thus encourage all classes of people to avail themselves of the benefits procured through this helpful institution."

#### MOUNTAIN STATES AND UTAH

##### Company Quotes Letter from the Insurance Commissioner Relating to Its Application

The Mountain States Life of Denver gives the following facts as to its relationship with the Utah department:

The supreme court of Utah modified its original order requesting the insurance commissioner to allow the company to reapply for admittance in Utah and to consider our application with reference to capital stock as of our original application in 1920. This, due to the fact that the legislature of Utah passed a law at its last session making it necessary for a company beginning business in Utah, to have capital stock of \$200,000, and to review our present plan in preference to our former plan.

The company made application on Sept. 21. We are in receipt of a letter from J. W. Walker, the commissioner of Utah, dated Dec. 7 as follows:

"In the matter of your application of Sept. 21, 1921, for renewal of certificate of authority to transact business in the state of Utah, I think it proper that an examiner be appointed to go over your records bringing the report made Feb. 14, 1921, up to Oct. 31, 1921, or to date, as is thought best. Accordingly I will make arrangements for examiner who has not participated in any way before in examinations of your company, to be at your offices not later than Jan. 12, 1922. If some other date will prove more convenient kindly let me know."

A general agency of the New World Life of Spokane has been opened at Chippewa Falls, Wis., for Northern Wisconsin. E. A. Sparrow of that city has been appointed head of the agency.

# THE STATE LIFE INSURANCE COMPANY

INDIANAPOLIS

MORE THAN

TWENTY-ONE MILLION DOLLARS IN SECURITIES

Deposited with the State of Indiana for the  
Sole Protection of Policyholders

PROGRESSIVE :: CONSERVATIVE

The Growth of Oak—The Solidity of Granite

On Agency Matters Address, CHARLES F. COFFIN, Vice-President



## SEES SOCIALIST IDEAS PASSING IN NORTHWEST

Governor Preus of Minnesota Says  
North Dakota Is Returning  
to Normalcy

### URGES RETURN TO STATE

Life Presidents Are Told That It Is  
Safe to Resume Loaning Money  
in That Section

Governor J. A. O. Preus of Minnesota, in speaking before the Association of Life Insurance Presidents last week on "A Government Experiment vs. Life Insurance Principles," reviewed the history of the various state ownership schemes inaugurated by the Nonpartisan League in North Dakota, linking up the leaders of that movement with organized socialism in this country and communism in Russia. He showed that the plans of the League were essentially socialistic in their origin and operation and opposed to the principles of American government and to the general principles of life insurance. He took an optimistic view, however, of conditions in North Dakota, asserting that the recent recall election showed that the people of the state had broken away from the League leadership. He asserted that the various state operated schemes would pass away, and suggested the desirability of cooperative plans as a substitute for the state ownership schemes. In view of the apparent change of sentiment in North Dakota, he urged the life insurance companies to resume loaning money there, and thus help in the rehabilitation of the state.

#### Socialism in North Dakota

Governor Preus said, in part:  
The people who came to America in the early history of our country or in colonial days came here to get the right of life and liberty to live as they pleased and to worship as they pleased. But the people who have come to the Northwest in the past century have come there not to get religious liberty or to be secure in their lives, for they were secure in the Old World, and they have the right to worship as they please, but they came there quite generally speaking to get private property, one of the ideals of our form of government.

The American republic is based on the system of capitalism. Who is a capitalist? Anyone who owns property and makes money thereon is a capitalist. Whether he owns a farm, a \$100 liberty bond, or has \$50 in the bank; if he owns property, and makes money thereon, he is a capitalist. Opposed to this plan of capitalism is socialism, which destroys the right to own private property for gain, turns it all over to the state or some other political unit, enables us all to go to work for that political unit, and get an equal distribution of the proceeds. It was in this direction the government of North Dakota proceeded. A state industrial commission was created. The duties of the commission were to sell bonds of the state of North Dakota and use the proceeds of such sales for the building and operating of certain state industries. Conforming to this program, a state bank was established known as the Bank of North Dakota. A mill was built at Drake, which is now being operated. Another one is under construction at Grand Forks, and must, according to the mandate of the people, be completed despite the fact that the Nonpartisan League officials have now been turned out of office. Other socialist schemes might also be referred to. The most sinister of their endeavors,

however, is marked by the enormous increase in taxes of that state. According to figures supplied me as I, last month, went into North Dakota to campaign against the Nonpartisan League, the taxes for state purposes before the League took charge of the government there were a little in excess of \$2,000,000. Last year, it was charged, they were \$10,000,000; this year, \$12,000,000, and next year would be \$15,000,000. Confiscation of land by way of taxation was therefore in full operation in that state, and with this government in existence for another five years, doubtless title to large areas of farmers' lands in the state would have been the result. This was the reason you life insurance people discontinued loaning on farm lands in North Dakota.

#### Opposed to Life Insurance Principles

This experiment in government is opposed to your life insurance principles. The principle of government of the experiment referred to in North Dakota is that the state shall do for its citizens what its citizens have been doing for

themselves. They established state hail insurance in North Dakota. The next step can easily be seen, that of state fire insurance and then state life insurance. The experiment, therefore, is the antipode of the principles of life insurance. The principle of state insurance is that, whether you will or not, you must contribute to the state in order that all people may be insured. The principle of life insurance is that if you would do your duty toward your family, your wife, your children, your business associates, you shall associate yourself with other men through the organization known as a life insurance company to protect your dependents. I would have the state do nothing for me that I am capable of doing for myself. Therefore, the experiment in North Dakota, contrasted to life insurance principles, is a fallacy. State Socialism must fail. The mills of North Dakota, the Bank of North Dakota, the state hail insurance of North Dakota, will disappear because human cupidity is such that when a person works for a state, the ambitions

that well up in him are, very quickly, not to render the best of service to the state as he would to himself if working for himself, but a strong desire for shorter hours, more pay and pension in old age. Protected by a civil service law, there could be no question about such results as regards state employees.

#### Cooperation vs. Socialism

Contrasted to these ideas, a program of cooperative marketing was submitted in Minnesota to relieve the farmer with reference to those things which he complains of, namely, that there is too much difference between what he receives for what he produces on the farm and what he pays for the product made therefrom and distributed to farmers and others through the retailer.

Cooperation is the opposite of state ownership. Cooperation develops the individual farmer's authority over his own business inasmuch as he remains in charge of his business, and when it becomes too big for him to handle as an individual, he and other farmers handle

# AMERICAN CENTRAL LIFE

Insurance Co.

INDIANAPOLIS, IND.  
Established 1899

HERBERT M. WOOLLEN  
PRESIDENT

**ILLINOIS LIFE INSURANCE CO.**

**CHICAGO**  
JAMES W. STEVENS, PRESIDENT

**GREATEST  
ILLINOIS  
COMPANY**

**WANTS GOOD MEN  
AND  
WILL PAY THEM WELL**

**Insurance in force more than \$128,000,000**

their business collectively. One farmer alone cannot have the advantage of shipping and selling his produce which he can obtain by combining the efforts of a large number of farmers. This is the American life insurance principle.

State ownership would take the authority away from the individual and place it in the hands of the state as a whole. The farmer business would then become political.

#### Plea for Old Institutions

Life insurance principles are the principles of our fathers, who said that we should have the right of life, liberty and private property. The experiment in North Dakota, and which is wanted by many throughout the northwest, is to supersede the right of private property. Those people in Russia who have destroyed the right of private property know why they must of necessity destroy the home and the church therewith, for so long as you have family ties and obligations you will demand private property; you will demand the right of carrying life insurance, all of which was cancelled in Socialist Russia, and the stronger your family ties and the greater your family obligations, the keener your desire for private property.

So let us not despoil ourselves of our heritage, let us cherish the institutions of our fathers, let us preserve the government instituted by our forebears and perfected by ourselves, let us still believe in God, still cherish our love for mother and for wife, still believe in our American institutions, our families and our homes.

Six weeks ago the three Socialist Nonpartisan League officers, the governor, attorney general and commissioner of labor and agriculture, were recalled by a vote of the people—the first state officers ever so recalled in any state. It means that the people there do not want Socialism, but want again to embrace the American ideals and principles which you and I love, so I ask you life insurance people who have withdrawn your loaning organizations from that state or who are now declining to purchase farm mortgages in that state, to resume your relations and activities there in order that the misled but honest, the distrusting but industrious tiller of the soil of North Dakota may again enjoy the blessings to which we are all entitled as citizens of the greatest of all nations.

#### SAYS INSURANCE IS ANCHOR

**President Archie Richards of the Philadelphia Association of Credit Men  
Makes Address**

"Business insurance on the life of the executive of members of a firm, payable to a business, may be compared to the windward anchor carried by a ship as a precaution against storms," declared Archie Rickards, president of the Philadelphia Association of Credit Men to a meeting of the sales force of the Dickey & Morgan Philadelphia Agency of the Mutual Life of New York. Mr. Rickards stated that many concerns are today grateful to the life underwriters who prevailed upon them to see the merits of business insurance, because the loan values have saved them from what would otherwise have been inevitable bankruptcy during the reconstruction period which happily is nearing an end. The corner has been turned and Philadelphia may look forward to an era of substantial, constructive prosperity such as she has not known for many years, in his opinion. 1922 will reward those who have sanely kept their feet on the ground in '21—those who have bought, produced and sold wisely. Mr. Rickards said: "With much that is unpleasant in business behind us we may now face front looking eagerly for that prosperity which is sure to come to the greatest nation on earth."

The Crescent Life of Indianapolis has applied for admission to Illinois.

## LIFE PRESIDENTS HOLD NOTABLE CONVENTION

(CONTINUED FROM PAGE 2)

furnished by 148 companies that in 1920 wrote 97 per cent of the new business secured, it was estimated that the new business record for 1921 "will show the issue of 13,150,000 policies, representing insurance to the amount of \$8,535,000,000. In 1920 the number of new policies issued was 13,248,000, insuring \$10,105,000,000. The 1921 record, therefore, shows a comparatively small decrease in the number of policies issued, but about 15 per cent less in the insurance represented by these policies."

Secretary of War Weeks made a thoughtful address, emphasizing the need for "Sound Thinking by the People and for the People," and, while far from being pessimistic as to the future of our country, he earnestly counseled that very serious attention be given to the many complex problems now before the nation's leaders. He urged that criticism based upon lack of information be refrained from, but that constructive suggestions would be welcomed.

Governor Preus of Minnesota, another prominent figure in the political life of the United States, and destined to become increasingly so in future, recited the development of the Nonpartisan movement in the Northwest, and its elemental weaknesses that are sure to prove its undoing. While appreciating that investors were fully justified in ceasing to make loans in states where Nonpartisan government was rampant a short time ago, he said that this condition no longer obtained, and strongly recommended that the life insurance companies again invest in farm loan mortgages in North Dakota and the adjacent states.

#### Other Speakers on Program

Other speakers and their subjects heard by the Convention were: Alfred R. Horr, vice-president and treasurer Equitable Life, "Can Trust Companies and Life Companies Be Neighbors Without Quarreling?"; Rev. Canon Cody, rector of St. Paul's Church, Toronto, "Nationalism, Internationalism and Supernationalism"; President Livingston Farrand, of Cornell University, "Health, the Guidepost to Material and Moral National Strength"; Robert Lynn Cox, third vice-president Metropolitan Life, "National Health in the Insurance Mirror"; Asa S. Wing, president Provident Life & Trust, "A Decade of Life Insurance Investments"; Thomas B. Donaldson, president of the National Convention of Insurance Commissioners, "Essentials and Non-Essentials in Insurance Supervision"; Dean Andrew F. West, of Graduate College, Princeton, "Insuring Our Nation"; Walton L. Crocker, president John Hancock Mutual Life, "Insurance and the Modern Political State"; Henry S. Nollen, president Equitable Life of Iowa, "Recent Fluctuations in Policy Loans."

Greetings to the association from the American Life Convention were extended through President H. R. Cunningham, of the latter organization, while a similar message of good will upon the part of the National Association of Life Underwriters was offered by its president, John L. Shuff.

#### Prepare for 1922 Campaign

Directors of the Wisconsin Insurance Federation are preparing for the annual meeting, the first of the present organization, to be held in Milwaukee in January, at which the 1922 program will be decided upon. The coming year will see state elections in Wisconsin, and radicals promise a hot fight for the legislature, state offices and a United States senatorship. The Non-partisan League has declared itself to be "after control of the state," having been dethroned in North Dakota. Insurance men see inimical legislation in their line in the offing, and the federation is girding its loins for the fray.



## ESSENTIAL POINTS IN INSURANCE SUPERVISION

Commissioner Donaldson Presents  
Them Before Life Presidents'  
Convention

### MUST START AT ORIGIN

Thorough Investigation of New Companies Needed—Question of  
Licensing Agents

Thomas B. Donaldson, insurance commissioner of Pennsylvania, and president of the Insurance Commissioners' Convention, who has been notably successful in bringing his department up to a high state of efficiency, spoke before the Association of Life Presidents last week on "Essentials and Non-Essentials in Insurance Supervision." He said in part:

"Commissioners and superintendents of insurance come and go. Mainly, they go! The novice chief incumbent will find that the most essential thing in supervision is a capable deputy. The most non-essential thing is the new commissioner or superintendent. I mean this in all sincerity. A new chief incumbent who refuses to be supervised by his deputy is apt to have many hours of worry.

#### Relations with Agents

"It comes with bad grace for the majestics of 'supervision' to overlook the fact that humans are human, and that every man is entitled to a living, and that the abrupt revoking of a license of the humblest agent may have a bad result upon the community and individual.

"It may not have occurred to some commissioners, but it is before me at all times, that once a man has journeyed along in the insurance business, whether his line be life, fire or casualty, it is almost impossible for him to adopt any other business. Therefore, an essential in supervision is to do all that you can to help the incompetent or careless or momentarily erring brother. It is most essential that real and constant offenders be driven out of the business for all time.

"One essential in administering an insurance department is to be as unaggressive as possible unless a real issue of broad import destined to serve the public or to correct an obvious weakness or irregularity is on the horizon. Essentials and non-essentials in departmental supervision depend much upon the mental balance and personality of the individual in executive control. It is not always of concern to me, in the final summary, just what surplus a company possesses. It is of vital concern to me to ascertain the personnel of the management.

#### Charges of "Misrepresentation"

"Particularly in life insurance, in the contest between agents, eternity and the ten commandments fade into oblivion at echo of the shrill cry of 'misrepresentation'! I have faced irate men who stormed upon me to punish a ruthless rival agent who actually sold a man a 20-pay life policy under—as they said—pretence that it was a 20-year endowment. As an essential of supervision, reflect! The policyholder paid the exact premium for that which he was entitled to, no more, no less. It is vastly better for an agent to lose a first-year commission once in a while than to involve the bewildered insured in an inter-company wrangle, which serves mainly to make the policyholder suspicious of all agents and companies.

"A most essential phase of supervision

is to start at the origin. Whenever enthusiastic promoters of companies apply for permission to organize, ascertain how little the promoters know. Invariably they know very little. Stop them before they start! The end does not come until well along toward the finish; but a department had best forestall, not postpone, the inevitable. A new company with untrained promoters back of it has as much chance to succeed to-day as a suffragette has to be president of the United States.

"Another essential is developing the trait of knowing when to ignore rather than developing the trait of standing attention to every trivial happening.

#### Deplores "Rushing Into Print"

"In my opinion department heads should beware of rushing into print. It is proper of course to give out 'news' but the possible effect of 'news,' the possible misconstruction of it and the twisting of it, should be carefully studied. The general public knows little and cares much less about the technical side of insurance. Not infrequently departments are subjected to selfish and stupid press criticisms or vicious attacks. I do not believe that it is the obligation of departments to rush into a press reply. It is an expedient and often a silly one. Never explain, if you can avoid it! The best way to explain or to reply to attacks is to write your explanation and then tear it up. The dignity of silence is unbeatable.

#### Licensing of Agents

"Until possibly within the past ten years it was not fashionable for the insurance fraternity, as a whole, to have contact with departments. In fact, there seemed to be a sullen fear of departments. The field felt that insurance men were non-essentials in eyes of all departments. This was most unfair and markedly unfortunate. The Pennsylvania department's 'closed-door' plan which sought, and is seeking, to prevent the obviously unfit and incompetent from obtaining licenses as agents, or brokers, had one astonishing result. It immediately found the most marked endorsement in the soliciting field, and not solely for the reason that Agent A. or B. or C. felt that he wanted newcomers, or competitors, kept out of the soliciting field. It was because the agent or broker of good practices knew that the insurance business was degraded and retarded by incompetent men strutting about with no equipment save that of a state license and who within their rights, under the presumed sanctity of the license, had permission to do what may have resulted—and often has resulted—in incalculable damage to the public.

"If the seal of your state or my state means anything it certainly means that those vested with the powers of licensing individuals for any line of business should see to it that the seal of state, and its presumed endorsement of the fitness of individuals, be procured at more trouble than the mere payment of money. The time to ascertain a man's fitness is before he is licensed, not afterwards. This brings me to the conclusion that there is nothing more essential in departmental supervision than full and complete contact at all times with home offices and with the entire soliciting field. We are furthering this idea in Pennsylvania through what is known as the Insurance Advisory Board plan, which is, in brief, organization of insurance men—life, fire, casualty—in various counties or centers so that on any and all issues the department and the men in the field may have instant contact and immediate counsel each with the other. We shall have, within the next twelve months, at least 30 centers well organized. Many 'non-essentials' of former years are certainly, in my opinion, dominant essentials of the present time.

Mr. Morgan G. Bulkeley, Jr., assistant treasurer of the Aetna Life and son of President Morgan G. Bulkeley, has resigned as member of the Republican committee in Hartford on account of business pressure brought about in his increasing office duties.

# Public Life Insurance Company

Incorporated As a Stock Company Under The Laws of the State of Illinois

## Capital, \$500,000.00

Ordinary and Industrial Insurance Issued  
at all Ages From One to Seventy

**ALFRED CLOVER**

General Manager, Chairman Board of Directors

**LOUIS NAROWETZ**, President

**J. W. SINGLETON**, Secretary

**WILLIAM SCHAARE, M. D.**  
Chairman of the Medical Board

**HOME OFFICE:**

**108 South La Salle Street**

**CHICAGO**

**ILLINOIS**

Having recently entered  
Indiana.

## THE FRANKLIN

Life Insurance Company,  
of Springfield, Illinois,  
has several unusually attractive openings in that state for life men of general agency caliber.

—□—

Contract direct with the  
Company.

—□—

Over \$125,000,000 of insurance in force.

—□—

The remarkable growth and achievements of **THE FRANKLIN LIFE** are due to its traditional "Aggressive Conservatism" and the splendid co-operation between the Company and the Agency Staff.

Let us know something about your qualifications and your ambitions as an insurance man, and we will give you the details of our proposition.

*Write direct to the Home Office,  
Springfield, Ill.*





## The Prudential Insurance Company of America

Forrest F. Dryden,  
President

Home Office,  
Newark, N. J.

Incorporated Under the Laws of the State of New Jersey

## IF YOU ARE BIG enough to Develop and Hold A DISTRICT

of Four or more Counties in Ohio,  
Indiana, Illinois, Missouri or Iowa,  
getting, training and handling the  
necessary agents, write—NOW—to the

**FARMERS NATIONAL  
LIFE INS. CO., Chicago, Ill.**

F. N. L. BUILDING  
3401 Michigan Ave.

N. B.—Full line of policies, for ages one day to sixty  
years, with accidental death and monthly income total  
disability provisions.

## USE SIMPSON'S LUNCHROOM

BOARD OF TRADE BLDG., CHICAGO—Opposite Insurance Exchange

## SOUNDS WARNING NOTE ON CONTROL BY STATE

(CONTINUED FROM PAGE 1)

ring among the contributing members, in proportion to the contribution. Citizens may become insurers and insured. All insured have full right of election of carrier, of degree or kind of coverage to be taken, and, not the least important, of withdrawal at will, while collective bodies of citizen-insurers usually find a responsive state to give them license. All of these liberties are consistent with the character of a free state.

"In the world at large to a greater degree than in our own country, the infiltration of the Socialist influence has significantly, if unnaturally, classified insurance as a state function. In our own country, where all insurance, practically speaking, is carried on by mutual or stock associations of individuals privately formed and operating in competition under state license and supervision, in keeping with the genius of American institutions in general, the past generation has witnessed the passage of the system through vicissitude, trial, and regeneration, to unexampled expansion and triumphant service in great crisis.

### Coverage Is Broadened

"With the legal reserve life insurance companies the broadening of coverage and service in response to new discoveries, demands, and conditions of life, is marked. Where prior to a generation ago the life contingencies insured against were of almost classic simplicity, as was natural in so comparatively new a growth, the essays into supplementary activities of real importance have very considerably rounded out the equipment of the system for practical use. Additional departments of coverage and liberalization of conditions therein are matters of frequent adoption of companies either from pressure of competition or from a recognition of the general theory above advanced. The notable movement into the fields of health, accident, disability, group and substandard underwriting in the train of the enterprising pioneers among life companies in those related elements of hazard coverage in life, strongly shows the drift of thought. In this broader field the life companies of the country appropriately find a place within the scope of their individual limitations. In particular the perception of the need for providing indemnity against that death-in-life, disability, has opened out a field of service which is rich in possibilities and social interest.

### Relationship to State

"Turning now to our principal and final topic, we come to consider the general question as to whether the existence of certain of the diverse organizations within the system is prejudicial to our individualistic political state. The question having been publicly raised and having found echoes already in the halls of the state, should be a fitting subject for discussion here.

"It is first expedient to look a little at our definition of insurance. In our land of liberty, where the citizen is master of his destiny under general guarantees, where he may own and possess in peace the rewards of his thrift, diligence, and skill, he appears necessarily in the guise of either an actual or potential capitalist. It is not a new proposition that the same essential character resides in the ownership of a savings deposit, a small insurance policy, a small plot of ground, a modest dwelling, or a small business capable of producing values, as in the more commanding accumulations of property. Even the mere ability to work seems to contain a capital quality capable of being expressed through surplus product saved, which generally the individual likes to keep.

### Protector of Capital

"So long as we hold to this principle, we may properly regard all insurance represented in our American system as being for the protection of capital belonging to wage earner or captain of

finance or industry alike. It is in fact a method of readjustment of capital losses, considering that term to mean the taking away of a productive life, as well as the destruction of property. The form employed by the various organizations to accomplish this seems less important than the service given, while the diverse individuality of our people makes it impracticable they should be served in any uniform way or by other than a variety of organizations, each with its different merit and appeal.

### Proper Functions of State

"In cases where the form of the association is such as to subject insured members, or prospective members from the general public, to liabilities not definable in exact terms and figures in a contract, there is reason for the state to interpose through its agent, the government, so that those who become parties to these associations may do so with their eyes open. The remedy then is not so much in the exclusion of a particular form of organization but in its better supervision, if adequate supervision be now lacking.

"If, under such conditions, citizens desire to assume such responsibilities as the price for their right of choice of carrier, the only question of the state is as to the degree of protection it owes the general public which may go in with them.

### May Be Too Restrictive

"Herein, as with other broad fundamentals, would lie the appropriate functions of state legislation and oversight. The exercise of these functions is less happily to be perceived, however, in the region of details of secondary importance to the safety of the interests of the insuring public. The tendency which shows no abatement as time goes on to prescribe procedure and limitations on matters of ministerial routine may be seen as a phase of the violent reaction of the government sentiment aroused by the mistakes of the past. But its undue exercise may injure the very interest it seeks to promote. For example, if states adopt the principle that their insurance association should not be permitted to invest in certain broad lines of securities, that is protective; but if they require the investment of reserve funds in the place of origin in specified types of security it would only add complications and expense to the administrative process and perhaps to the chance of loss to policyholders through the eventuality of being obliged to seek and accept investments which conservatism would not regard as suitable, and which, but for the necessity of complying with a hard and fast legislative rule, would not be taken. Similarly, if the state prescribe a broad principle in relation to under-writing or agency operation, or a general plan of publicity, the inconveniences may be endured if there be any general public good to be accomplished, although there may fairly be some doubt as to the precise value of certain phases of such legislation now existing.

### Dangerous Possibilities

"But if there should ever come about such things as the prescribing of rates by the state or the requirement of policy concessions inequitable to the insurer, it might be a more serious matter. While these processes might present the outward appearance of benefit to the public, the reality might be detrimental, for such requirements, from their very rigidity and inadaptability to changing circumstances, would only increase the difficulty of the existence of the companies without adding anything whatever to stability, but, on the other hand, tending to weakness in times of stress.

"In this and other ways the increasing of the rigidity of the statutory strait-jacket well might lead to a condition where the state becomes a silent partner possessing all the initiative and no legal liability, while the management of the creature company is the visible partner with all the liability and little effectual volition."



## STRENGTHEN POINT OF EXAMINATIONS

Insurance Commissioners Reenforce Their Position Against Unjust Investigation

### RESOLUTIONS ARE PASSED

State Officials Are Outspoken in Their Protest Against Injustice in Department Probes

NEW YORK, Dec. 13.—Memories of former days, when the examination of insurance companies afforded state insurance officials an admirable and un-failing pretext for a junketing trip to a distant city and an opportunity to add substantially to their personal bank accounts as well, were revived through the discussions upon the general subject of company examinations before the National Convention of Insurance Commissioners, the final outcome of which was the unanimous adoption of this resolution offered by Commissioner Hobbs of Massachusetts:

"Resolved: In the making of official examinations of companies not incorporated or organized in the state making the examination, insurance departments should in general employ only examiners permanently attached to the department or to other departments: If it appears necessary to obtain expert assistance from outside the department, the department should, as a matter of comity, submit the appointment to the insurance department of the state in which the company is incorporated or organized and obtain its approval."

#### Expense of Examinations

Commissioner McMahon of South Carolina was of the opinion that the resolution was not sufficiently broad, and that it should define the expenses that might be charged in making examinations. He further submitted that the state and not the companies under review pay investigation costs. Vermont, Commissioner Brown of that state explained, levies no charge for examining home companies; though collecting the expenses when institutions outside the commonwealth are looked over. Commissioner Savage of Iowa was particularly outspoken in his condemnation of unwarranted company examinations, from which the organizations of his state have suffered severely during the past year. Although refraining from mentioning of names he cited the case of several actuaries that had used their assignments from state departments to influence employment as "consultants" by various companies. He pointed out the opportunity afforded examiners thus restrained of getting confidential data that could be used by their companies in a competitive way. Reports made by men of this stamp, Mr. Savage held, were very apt to be biased, and hence of little real value to the state commissioners.

#### Examination Committee Formed

The scandals thus obtained in the insurance world, when the "black-horse raiders" roamed from state to state, making worthless examination of companies and charging extortionate fees therefore led to the formation by the National Convention of Insurance Commissioners of its committee on examinations 12 years ago. While the Committee unfortunately has not been able to check irresponsible examinations in all states, it has steadfastly exerted its influence toward that end, and will continue so to do. Commissioner Donaldson of Pennsylvania suggested that it

would be interesting to compile a list of concerns that had failed soon after being given a clean bill of health by "special examiners."

#### Security Mutual Case

After prolonged consideration of the examination of the Security Mutual Benefit, a Topeka fraternal, by representatives of seven states, including Kansas, a sub-committee of the committee on examinations to which further study of the subject was referred, reported its conclusions as follows:

"(1) It seems inadvisable to recommend action to the several commissioners as to legal action to be taken against the society. This would involve issues depending on the local law and policy and might conceivably vary in various states. No action should be taken which will make the members of the society suffer for the action of their officers.

"(2) Legislation should be enacted generally forbidding the payment of bonuses in connection with fraternal mergers. All contracts in connection with such mergers involving the payment of money to officers of either society should require official sanction and approval.

"(3) If the law of any state is not adequate to prohibit the making of false affidavits and the filing of false returns it should be amended.

"(4) The policy of the statute urged by fraternal societies forbidding the re-insurance of fraternal, save by fraternal, is very questionable if the practice of giving bonuses is permitted to endure."

The points involved in the Topeka examination, it is understood, included discrepancies in statements made to different states, and the payment of \$70,000 as commission for reinsurance. In defense of its position the association in question declared that the entire transaction has been passed upon by the Kansas courts and its validity sustained.

### OPPOSE SAVINGS BANK PLAN

Kansas City Association Declares Position and Names Committee to Draft Resolutions

KANSAS CITY, MO., Dec. 13.—Kansas City life underwriters have gone on record as being opposed to the writing of life insurance policies in connection with bank savings, unless the writing of the policy shall be done by a life agent who can properly fit the policy to the need of the insured. At the recent December meeting, the resolution passed by the life underwriters of Cleveland were presented, and discussed fully. The meeting appointed a committee, with J. P. Somerville as chairman, to prepare a resolution embodying the sentiments expressed in the meeting. It was felt that whatever might be the situation in Cleveland, the situation here did not justify some of the items in the document. The banks here have not taken up the matter of writing insurance in connection with savings, and since the life underwriters have taken the position they have, it is not expected they will—at least not until the plan has been tried out more fully.

It is held that a policy written by a bank representative to cover a savings account will, in all probably, lapse when the savings account is brought up to the amount contemplated; but that if written by a regular life agent, it will be found that the interests of the insured demands the continuation of the policy, and that the insured can be persuaded of the fact, if the business is handled by a direct representative of the company. It is agreed that the writing of life insurance by a bank representative, who is not a trained insurance man, will tend to undo what the companies have done during the past in raising the standard of qualifications for insurance agents, and inducing young men in college to specially prepare themselves for the profession. The revised resolution will be presented to the January meeting for ratification.

Satisfaction in doing the most difficult things of life comes to the life insurance man who has persuaded a tough prospect to do his duty towards his family.

# NATIONAL RESERVE LIFE INSURANCE CO.

GEO. GODFREY MOORE, President



HOME OFFICE: TOPEKA, KANSAS

Maybe you are the man we are looking for!

Maybe we are the company you are looking for!

WE ARE ANXIOUS to get in touch with three or four **REAL LIVE** Life Insurance salesmen who are anxious to make a name for themselves in the insurance world. We don't want just ordinary salesmen. We want men in whom we have confidence, men whom we can put in big places of trust.

WE ARE, WITHOUT A DOUBT, the fastest growing life insurance company in the Middle West, having written an average of **A MILLION A MONTH DURING THE PAST NINE MONTHS.**

We CONTEMPLATE going into Oklahoma, Texas, Missouri, Nebraska and Iowa next year, and are anxious to get big men lined up for these states as State Agents. If you think you can qualify, write us right away. Get your name on the dotted line. We are writing the newest, very latest up-to-the-minute contracts in life insurance. For instance, the talk of the insurance fraternity will be about our new **20\* PAY \$5,000 CONTRACT WITH RETURN PREMIUM** which pays out in eleven years. If there is anything new in life insurance, you can depend on it, we'll have it first.

ANSWER, GIVING PAST EXPERIENCE AND PRESENT EMPLOYMENT.

CORRESPONDENCE STRICTLY CONFIDENTIAL.

Write for full particulars. **GEORGE GODFREY MOORE, President**

## The OHIO NATIONAL LIFE INSURANCE Co. CINCINNATI

ALBERT BETTINGER, Pres.

WE desire to negotiate with a high class man for the State of Kansas. If you want a State Agency for Kansas and can convince us that you are really worth while, we will get behind you in a big way. If interested address

T. W. APPLEBY,  
Secretary.

## John Hancock LIFE INSURANCE COMPANY OF BOSTON, MASSACHUSETTS

In Business Since 1869

Insures all classes of selected lives, issuing policies on the ordinary, intermediate and industrial plan at all ages. It also insures against total and permanent disability. Policies of the company are made secure by reserves maintained on the highest standard, with additional contingent reserves providing protection against all emergencies. Information and Advice on any matter relating to Life Insurance is Available at any time through the Agencies or Home Office of this Company.

## Chicago National Life Insurance Company

CENTURY BUILDING, STATE AND ADAMS STS.

JUST LICENSED BY ILLINOIS STATE DEPARTMENT

First 10,000 shares sold, over \$100,000 deposited with State

WANTED: First class agency man: must be of undoubted experience and ability

## CO-OPERATION

No. 27

**T**HE INDIVIDUAL PRODUCTION of more than 15 per cent of our 1920 representatives was in excess of a quarter million dollars of paid for insurance.

We believe that this remarkable record is largely due to our effective plans of agency co-operation.

Every new man who is added to our ranks is carefully selected, contracts with us upon a full-time basis and has the advantage of an intensive course in life insurance training at the home office.

## Phoenix Mutual Life Insurance Company



of Hartford, Conn.

JOHN M. HOLCOMBE, President



## WANTED

District Managers for Good Locations in Ohio

Write the Home Office for further particulars. Here's an opportunity for a good man to get in on the ground floor with a progressive young Ohio company.

THE GEM CITY LIFE INSURANCE CO.  
DAYTON, OHIO

## Are You Permanently Established?

Write for Territory  
Pennsylvania—Ohio—West Virginia  
PHILADELPHIA LIFE INSURANCE CO.  
PHILADELPHIA

The impressions and habits formed in youth are greatly responsible for our thoughts through life. Boys and Girls today are the Men and Women tomorrow. "Child's Endowment" teaches them for that "tomorrow."

**Western Life Insurance Company**  
OF DES MOINES, IOWA.

We issue all standard forms of Life Insurance Policies. Every policy protected by Deposit of Full Legal Reserve with the State of Iowa.

## RELATION WITH BANKS

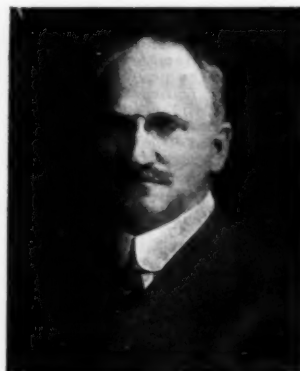
## TRUST COMPANIES' FIELD

Valuable Joint Efforts Explained by A. R. Horr Before Life Presidents' Convention

The opportunities open to life companies for cooperation with trust companies in the improvement of the business of both were explained by Alfred R. Horr, vice-president and treasurer of the Equitable Life of New York, speaking before the Life Presidents' meeting in New York last week on "Can Trust Companies and Life Companies Be Neighbors Without Quarreling?" Mr. Horr attempted to show that there has been in the past and should be in the future a great expenditure of cooperative effort on the part of these two types of financial institutions. He said, in part:

## Are Mutually Beneficial

"Trust companies and life companies can be neighbors without quarreling. The proof lies in the fact that they have existed and labored in close proximity



ALFRED R. HORR  
Vice-President and Treasurer Equitable Life

for many decades without serious quarrels. Indeed there has been exhibited a spirit of amity and cooperation between the two classes of institutions which has broadened with the passing years and increasing enlightenment. An important factor in these harmonious relations no doubt has been the complete abstention of the life companies from purely banking functions. The banker consequently sees in this neighbor primarily not a competitor but a depositor, actual or prospective, whose balances will be stable and who will not embarrass him by asking for credit on inconvenient occasions. Moreover, the banker knows that this particular depositor will attract other business to the bank. He realizes that beneficiaries will open accounts with the proceeds of policy payments or seek the aid of the banker to invest them.

## Can Create a Demand

"On the other hand, the benefits derived from the relation between the banker and this depositor are by no means one-sided. The banker, espe-

cially if he be an officer of an active trust company, is called upon to requisition for the bank and its clients a diversity of business service. Life, fire, surety and marine insurance, audits and appraisals are familiar examples. Often with no more effort than turning over his hand, the banker can create a demand for life insurance on the part of a prospective borrower and insist that it be satisfied. From the standpoint of public service, it may be said that all financial institutions are working toward a common goal—that of creating and conserving wealth.

"But our banking friends have not confined themselves to spreading the gospel of thrift in general terms only. They have specifically preached life insurance. What could be more neighborly than this?"

## Occasional Friendly Clash

"Unquestionably the trust company solicitor and the life insurance agent tread paths that occasionally follow almost parallel lines. Superficially it may seem that they must often come into direct competition. The limitations of the human mind are such that individuals engaged in marketing the service these two corporations offer do clash occasionally. But education and enlightenment should steadily diminish the frequency and seriousness of these clashes.

"Cooperation between life companies and banks has recently assumed a novel form in what are commonly termed 'insured savings accounts.' This plan apparently had its origin in the desire of the banker to encourage thrift and especially to put life into dormant savings accounts and reduce their lapse ratio. The plan is usually based on the determination to accumulate a definite sum in ten years by means of small monthly payments into a savings account. A policy of life insurance is deposited with the bank, or held by the insured, which will provide the beneficiary with the full amount it is proposed to accumulate, or perhaps more, in event of death.

"A number of banks have devoted time and money to soliciting insured savings accounts. It would seem that years of experience alone can determine whether or not results will justify the cost. Clearly the initiative must be taken by the bank, because the life insurance feature is essentially secondary. A general solicitation of life insurance by those not trained to the work constitutes a serious objection to the plan as it is usually operated."

## Bard Returns to Music Field

W. M. Bard of Bard & Core, district managers at Wheeling for the George Washington Life, is leaving the business as of Jan. 1, to become associated with the Davis-Burkham & Tyler Music Company to manage its store at Clarksburg, W. Va. Mr. Bard is one of the newer agents of the company and has been doing nicely, but his having been associated in the music business for a number of years could not resist a good opportunity which has presented itself for him at Clarksburg. His partner, Mr. Core, will retain his office in the National Bank of West Virginia building at Wheeling and will conduct the agency in his own name. The executive and agency staff of the company regret Mr. Bard's leaving.

## DOES THIS INTEREST YOU?

The Manufacturers Life Insurance Company of Canada is desirous of extending its operations in the States of Illinois, Ohio, Pennsylvania, and Michigan, and is looking for high class insurance men capable of developing parts of these States. We have a good proposition for the right man. When writing state age, life insurance experience and other particulars of fitness. Correspondence confidential.

Agency Department,  
Manufacturers Life Insurance Co.,  
Toronto, Ontario



## LIFE AGENCY CHANGES

### SOUTH DAKOTA'S NEW LINEUP

#### Minnesota Mutual Life Has Arranged for Four General Agencies in the State

A. T. Downey, who has been state agent of the Minnesota Mutual in South Dakota, will have charge of the territory of several counties with headquarters at Sioux Falls. He wishes to operate a smaller and more compact territory. The extreme northern portion of the state will be handled by Frank Packard of Redfield under a direct general agency contract. Similarly George C. Sheeks will handle the central part with headquarters at Huron. Earl B. Rowley will be general agent for the

south central portion of the state with headquarters at Mitchell. This will give the Minnesota Mutual four live general agencies in the state.

### STEVENS WITH THE NATIONAL

#### President of the Chicago Field Men's Club Takes Prominent Place With Drake Agency

John H. Stevens, president of the Chicago Field Men's Club and associated with the Wrenn agency of the State Mutual, has accepted the appointment as agency supervisor of the older Chicago office of the National Life of Vermont, to be associated with D. G. Drake. He will begin at once, his change being effective today, to build an agency force for the Drake agency and thus is looking for trained and new material of ability. Mr. Stevens is a trained life insurance man, with nine years' experience in the field. A graduate of Amherst in 1911, he came to Chicago and began his life insurance work in 1912 with the National Life of Vermont. After a short time, however, he transferred to the State Mutual, where he has been since that time. He has now returned to his original connection and expects to build the Drake agency to become one of the leaders. His many friends among the Chicago field force, in the home offices of the National, and in the Loyal Legion, of which he is a member, are pleased at his new connection and are waiting to see large returns. This was one of three flattering offers made to Mr. Stevens and his acceptance indicates his regard for this company, with which he began his insurance career.

### P. M. West and T. W. Root

Pierre M. West and Thatcher W. Root, who have been connected with Johnson & Clark, general agents of the Mutual Benefit Life at Detroit, for a number of years, have been promoted with the title of city managers, their authority covering the operations of the company in the city of Detroit.

Norton Ives continues as assistant to Mr. Clark in handling the student work at the University of Michigan.

### Russell Grimes

The Fidelity Mutual Life has announced the appointment of Russell Grimes as its general agent for northern Kansas. Mr. Grimes is the son of the late Frank E. Grimes, who was the company's general agent for that territory for several years. The young man was one of his father's best producers. He has announced that he will continue the old agency force and add to it as circumstances may warrant.

### R. A. Ferris

H. F. McNutt, general agent of the New England Mutual Life at Cleveland, has taken a partner in Raymond A. Ferris. The firm name is McNutt & Ferris. Mr. McNutt has been one of the old stand-bys in Cleveland and has built up a fine business. His partner is a young man who has had excellent training in life insurance.

### C. R. Monahan

The Bankers Life of Des Moines, Iowa, announces the appointment of Charles R. Monahan as general agent, at Chattanooga, Tenn. Mr. Monahan is a native of Cincinnati, O. For some years he was a resident of Mississippi, and more lately had made his home in Nashville, Tenn., and Chattanooga, where he has been in the employ of the Gulf Refining Company. He has had no previous life insurance experience, but has been quite successful as a salesman of other lines.

## The Connecticut Mutual Life Insurance Company

Hartford, Connecticut

### At the advent of its 75th Anniversary shows

Total Payments to Policyholders since Organization	\$352,218,540
Total held for Benefit of Policyholders January 1, 1921	90,585,734
Total Paid to and Held for Benefit of Policyholders January 1, 1921	\$442,804,274
Total Received from Policyholders since Organization	\$349,721,563

AS ALWAYS

The Policyholders Company

J. O. LAUGMAN, President

DR. ANDREW JOHNSON, Secretary

## International Life & Trust Company

offers up-to-date contracts for good men.

Sohrbeck Building  
MOLINE, ILLINOIS

## The Midland Mutual Life Insurance Company

OF COLUMBUS, OHIO

Dr. W. O. Thompson, President

H. B. Arnold, First Vice-Pres. and Counsel  
Dr. E. J. Wilson, Vice-Pres. and Med. Director  
J. D. Price, Vice-President  
F. H. Huntington, Treasurer

G. W. Steinman, Secretary  
C. G. Barrett, Asst. Secretary  
J. Chas. Rietz, Actuary  
J. G. Monroe, Supt. of Agencies

## RARE OPPORTUNITY

### Two General Agency Openings In the State of Montana

A splendid direct Home Office contract under which a profitable and permanent business can be established is waiting for the right man.

THE COMPANY NOW HAS MORE THAN \$76,000,000 OF INSURANCE IN FORCE

The Minnesota Mutual Life Insurance Co.  
ST. PAUL, MINNESOTA

One SECRET OF OUR SUCCESS IS SERVICE We have a contract for you under which your income will be limited only by your activities

A REAL PROPOSITION FOR A REAL MAN

FEDERAL CASUALTY COMPANY, DETROIT MICHIGAN  
Cash Capital, \$200,000.00 V. D. CLIFF, President

### MR. AGENT!

Do you care for QUALITY, not SIZE? Age, Sound Experience. Low Cost, a Splendid Record for 70 years?

Then why not take a General Agency in the HOME STATE for

### THE ST. LOUIS MUTUAL LIFE

OUR AGENTS AND POLICY HOLDERS STICK! WRITE THE HOME OFFICE

"SOMETHING NEW FOR AGENTS"

National American Life Insurance Company

Burlington, Iowa

"All that its name implies"

The

Square deal

Agency Contract

Write for particulars.

Guardian Life Insurance Company

Home Office, Madison, Wis.

# Great Southern Life Insurance Company

HOUSTON-DALLAS

**"Texas' Hundred Million Dollar Company"**

*Has never issued a policy with*

Double Indemnity  
Premium Reduction  
Coupons  
Group Insurance  
(No frills or trimmings)

*Issues only*

Plain, Simple Contracts  
Full Reserve Values  
(Cash, Paid Up or Extended Insurance)  
Full Total Disability Benefits  
Monthly Income Payments to Beneficiaries  
in All Approved Forms.

We offer no inducements to agents except prompt service and fair treatment. All business conducted on strictly cash basis.

**O. S. CARLTON, President, Houston**  
**E. P. GREENWOOD, Vice-President, Dallas**

## FOR OVER SEVENTY YEARS

On August 1, 1851, the Massachusetts Mutual issued its first policy. From that day to this its constant endeavor has been to furnish the best possible life insurance protection at the lowest possible net cost. That it has succeeded is shown by the enviable reputation which the Company enjoys among those who buy insurance and among those who sell it. Efficient service and a square deal for everyone have been its watchwords for over Seventy Years. They will be its watchwords throughout the years to come.

**JOSEPH C. BEHAN, Superintendent of Agencies**  
**Massachusetts Mutual Life Insurance Company**  
**Springfield, Massachusetts**  
**Incorporated 1851**

## THE PERFECT PROTECTION POLICY OF THE RELIANCE LIFE

gives you something absolutely new and different to talk to your prospects. Gives you a chance to earn more money than you are now making.

Our Life Insurance Contracts contain the most up-to-date clauses known to the Insurance World. The Accident and Health gives full protection for at least a third less cost than regular casualty companies. Our agency contracts are as liberal as can be made.

**WRITE AND WE WILL TELL YOU MORE ABOUT OURSELVES**

**Reliance Life Insurance Company of Pittsburgh** Farmers Bank Building **Pittsburgh, Pa.**

**THOMAS J. OWENS, President**

**DR. ALBERT SEATON, Vice-President and Medical Director**

**CLAUDE T. TUCK, Secretary**

## CENTURY LIFE INSURANCE CO., INDIANAPOLIS

Capital, \$200,000

NO ORGANIZATION EXPENSE

Surplus, \$100,000

All of the stock is held by a few substantial business men of Indiana who believe in the ability of the management to build a real life insurance company.

Managed by men experienced and familiar with all departments of life insurance work.

We offer agents experienced management, superior policy contracts, choice territory, progressive field and home office methods and an old-fashioned general agency contract that means money.

If you want to be affiliated with an institution that has real red blood in its veins—that has all the elements of growth and permanency—

**Tell us where you want to work**

## GOOD WORK WAS DONE

### MISSOURI STATE ENTERPRISE

**Planned a Vigorous Campaign for Its Agents to Specialize on "American Education Week"**

On Dec. 5, the field force of the Missouri State Life set out to make "American Education Week" outstanding for results as a force that will help to promote education for children in America and reduce the average of illiteracy.

To help them in this effort, the home office furnished each agent with a canvassing card, return envelope and stickers for applications written during this week. The canvassing card on one side showed the picture of President Harding with the words "In the Spirit of Cooperation—American Education Week." On the reverse side of the canvassing card appeared seven lines for seven names of prospects on whom they called during the week and who made provision through life insurance to assure their children an education. On this side of the card appeared the words: "To the President, White House: The following is the result of my effort to co-operate during American Education Week. The following names are of my clients who have this week made application for insurance policies to assure an education for one or more children." Following the names of the prospects the following phrases appeared: "To gain that education so essential to best citizenship," and "To make an America of homes illumined with hope and happiness," which are extracts from President Harding's inaugural address; followed by the agent's name and address. The return envelope was addressed to M. E. Singleton, president of the Missouri State Life and in one corner carried the notation: "To Co-Operate American Education Week as Proclaimed by President Harding."

#### Some of the Results

Some very interesting applications were returned as a result. Many applications written were on the Ordinary Life, nonparticipating plan, to provide the most protection at the least cost. The efforts of the agents were not confined by any means to the company's educational endowment policy.

J. L. Boerger, general agent in Ohio, wrote the father of a family in his city for a very large amount, wrote a good policy on the life of the mother, and also wrote \$10,000 exchangeable endowment policies, one on each child in the family. This family was insured 100 percent in the Missouri State Life during "American Education Week."

On the second working day of the campaign, many of the St. Louis agents and agents in nearby territory had filled their cards complete with seven names. Branch Rickey, manager of the St. Louis Cardinals and several stars on the team headed the card of Bob Newman of the St. Louis agency.

Complete returns for the campaign are not yet available. From returns to date it appears that the goal of 1,000 applications will be reached or exceeded. Returns to date show more than \$3,000,000 of written business received for "American Education Week." Of this amount nearly \$500,000 was written in Missouri. The first cards received show the fol-

lowing men as leaders: D. J. Duncan, H. G. Hoffman, J. L. Boerger, Robert C. Newman, Thomas J. Farris, John J. Huber, E. Wiley, B. F. Watson, P. J. Clancy, Henri K. G. Wallter, Albert N. Mueller, Charles Lottman, George T. Diehr, Pharon Dull, R. M. Carter, J. A. Ryan, Theodore S. Koziatek, David H. Birmingham.

#### Got Considerable Publicity

Some of the cards returned indicate that the company literature prepared for the week, created much interest as many agents wrote applications to insure the education of their child or grandchild. Considerable publicity was given the campaign by the St. Louis papers. The St. Louis "Times" mentioned that as far as it knew, the Missouri State Life was the first and only company to take advantage of the President's proclamation on "American Education Week." One object of "American Education Week" as set forth in President Harding's proclamation was "to remedy the defects in our educational system." The Missouri State Life in its propaganda took advantage of the idea that the greatest defect in the educational system of the individual American home is that such a large percentage of the bread winners, especially the heads of families, are unprotected by life insurance and when removed by death, the children are forced to leave school and go to work.

#### Volunteer State's Training Plan

Minor Morton, vice president and agency manager of the Volunteer State Life, announces an educational program for agents and prospective agents of the company. It is understood for the present that the Volunteer's educational activities will be confined to a correspondence course, and that most of the material, which has been prepared under Mr. Morton's direction, is ready for publication, and that early in 1922 the company will put the course into operation.

This course will not interfere with the company's present policy of sending men selected for managers to Carnegie Institute for special training. At the present time, the company has two representatives, P. Willard Smith of Cleveland, and G. C. Murray of Chattanooga, in attendance at Carnegie. It is understood that both men will be put in charge of branch offices early in 1922.

#### Morris Plan Insurance Anniversary

The Morris Plan Insurance Society, which completed its fourth year on Nov. 30, has issued 100,724 policies for an aggregate amount of \$18,720,231, of which 30,663 policies for \$6,973,125 are now outstanding. The society's capital and surplus are \$100,000 each and on Nov. 30 its undivided profits amounted to \$100,188, of which \$51,542 had been accumulated in the first 11 months of 1921. The society was organized primarily for the purpose of insuring borrowers from the 100 Morris Plan banks and companies in the United States for the amount of their loans so long as they are outstanding, which is usually 50 weeks.

#### Northwestern Wins Tax Suit

Judgment has been filed in the Milwaukee circuit courts in favor of the Northwestern Mutual Life, in the suit brought by the company some months ago to reduce the assessment for taxation purposes upon the home office building in Milwaukee. The assessment of \$3,100,000 on the new building at Wisconsin, Mason, Van Buren and Cass streets, has been reduced to the extent of \$1,100,000. The suit involved the assessment on the property for the year 1921. Sam Swansen, assistant counsel of the company, conducted the proceedings for the Northwestern. Previously a reduction was secured of approximately \$100,000 on the old home office property at Broadway and Michigan streets.

John S. Montgomery, mayor of Lodi, Cal., has been appointed district manager of the West Coast Life. He is also the head of several producer organizations in his sections.



## QUESTIONS PLACED BEFORE OFFICIALS

Insurance Commissioners Convention Was Asked to Make Some Changes

## SOME SUGGESTIONS MADE

Incontestable Clause Was Amended to Meet the Demands of More Recent Decisions

NEW YORK, Dec. 13.—Questions of especial interest to life underwriters considered at the annual meeting of the National Convention of Insurance Commissioners during their sessions here, included an appeal from the executive committee of the American Life Convention for an amendment to the standard policy provision relating to the grace period in the payment of premiums, and an amendment to the incontestable clause provision now in force in the majority of states.

On behalf of the assessment life companies writing over \$400,000,000 out of the \$500,000,000 of indemnity in the country in force with the assessment life offices, George D. Eldridge, the consulting actuary, offered a standard method of valuation, the principle of which he desired approved by the convention for incorporation into the statutes of the different states.

Following the recommendation of the committee of laws and legislation, of which Commissioner Mansfield of Connecticut is chairman, the Convention approved the suggestion that the present law affecting the incontestable clause be altered to read: "That the policy shall be incontestable after it has been in force during the life time of the insured, for two years from its date."

### What Convention Asked

The American Life Convention committee had asked: "That the National Convention recommend to the legislatures of the several states that the incontestability clause provision of the several standard provisions acts be amended so as to provide that the policy shall be incontestable after it has been in force during the life time of the insured, for two years from its date, or from the date of any reinstatement; and that in addition to exempting from incontestability for nonpayment of premiums and violations of the conditions of the policy relating to the naval and military service in time of war, there be excepted also, provisions and conditions relating to benefits in the event of disability and granting additional insurance specifically against death by accident."

Counsel Frederick Dunham of the Association of Life Insurance Presidents had previously filed with the committee on laws and legislation a brief, urging the adoption of the incontestable requirement along the lines called for in New York State, and he spoke before the Convention to the same end.

### Blackburn and Arnold Speak

T. W. Blackburn, secretary of the American Life Convention, and O. J. Arnold, secretary of the Illinois Life, talked strongly in advocacy of the more extended amendment, though the commissioners only approved the clause quoted, taking under further advisement the remainder of the suggestion.

Mr. Blackburn also offered that by virtue of several recent court decisions it seemed to be advisable that the standard provision relating to the grace period be more sharply defined, and submitted the following as the form which the American Life Convention believed the revision should take:

"A provision for a grace of not less than 30 days or of one month for the payment of every premium after the first, which may be subject to an interest charge, during which period the in-

surance shall continue in force, which provision may contain a stipulation that if the insured shall die during the period of grace, the overdue premium with interest and the deferred premium of the current policy year, if any, will be deducted in any settlement under the policy. Grace shall date from the premium paying date stated in the policy."

As Mr. Blackburn did not care to especially urge the adoption of the reform at this time, the convention tabled the matter.

The valuation standards for assessment life companies, which Mr. Ellsworth favored, were simply received by the convention for future consideration, the commissioners expressing no opinion as to their merits.

## LOCAL ASSOCIATIONS

Kansas City, Mo.—The new constitution of the Kansas City Association was designed to make the association a real agency organization, rather than an association of general agents. In the past, the men present and voting on any matter were counted all with the general agency they represented, and while there might be ten of one agency present, there vote would count no more than the vote of one man who represented another agency. Under the new constitution, every member of the association has his vote, and it is counted as one. There are no associate members, but all are active members. There were ten new members added to the list at the December meeting.

One of the new practices of the association is to send a summary of the business transacted to all members who were not fortunate enough to attend the monthly meeting. In this way the officers hope to increase the interest in the activities of the association by keeping all members informed.

The Kansas City association has appointed a special committee to assist in the drive for the reinstatement of soldiers who have for any reason allowed their war insurance to lapse. The position was taken that it would be bad for every life agent and company for any of the policies to be allowed to lapse. It is held that the more insurance in force, the more can be written; and the more that is allowed to lapse, the harder it is to write additional insurance. The committee was composed of J. P. Somerville, Penn Mutual; Ira R. Mapes, Phoenix Mutual, and J. P. Osborne, Royal Union Mutual.

Chicago.—President Darby A. Day of the Chicago association invited all the managers and general agents to be his guests at a luncheon last Friday. President Day put the matter of association membership in the various offices squarely up to the managers. He stated that the head of the office is the proper man to get the agents to join. President Day is endeavoring to work out a practical program of education and inspira-

## Security Mutual Agents are successful WHY?

The reasons are many

- First —Our rates are right
- Second—Our policies are attractive
- Third —Our Company is reliable
- Fourth—Our agents have our co-operation

We can give good men good territory

If you are interested, address  
C. H. Jackson, Supt. of Agencies

**SECURITY MUTUAL LIFE INSURANCE CO.**  
Binghamton, N. Y.

## HOME LIFE INSURANCE COMPANY of America

Incorporated 1899

### PROTECTION FOR THE ENTIRE FAMILY

This Company issues all modern forms of policy contracts from age 8 months next birthday to 60 years. Industrial policies are in full immediate benefit from date of issue. Ordinary policies contain a valuable Disability clause and are guaranteed by State Endorsement.

### GOOD CONTRACTS FOR LIVE AGENTS

Executive Offices, No. 506 Walnut Street, Philadelphia, Pa.

BASIL S. WALSH, Pres. JOSEPH L. DURKIN, Secy. JOHN J. GALLAGHER, Treas.

## The Globe Mutual Life Insurance Co. of Chicago, Illinois

### Gain of the Globe for the Year 1920

Gain in Insurance in Force . . . 128 Per cent  
Gain in Interest Income . . . . . 84 Per cent  
Gain in Assets . . . . . 50 Per cent  
Gain in Income . . . . . 38 Per cent

### For The Last Five Years

Gain in Interest Income . . . . . 906 Per cent  
Gain in Assets . . . . . 400 Per cent  
Gain in Income . . . . . 204 Per cent  
Gain in Insurance in Force . . . 148 Per cent

Ordinary and Industrial Branches. Ages taken from date of birth. All Policies pay Total and Permanent Disability Benefit at \$10.00 per week, whether it come from Accident or illness, so

"You Don't Have to Die to Win"

The above figures are the result of the highest grade of service to policyholders and representatives. CLAIMS PAID BY TELEGRAPH. It is the last word in

## SERVICE

T. F. BARRY, President, General Manager and Founder.

Incorporated 1844



In Its 77th Year

The Policy of Protection Plus Pecuniary Far-Sightedness  
Is Pre-eminently STATE MUTUAL.

Our agency organization places honest service rendered  
the acme of all insurance attainment.

## STATE MUTUAL LIFE ASSURANCE COMPANY WORCESTER, MASSACHUSETTS

B. H. WRIGHT  
President

STEPHEN IRELAND  
Superintendent of Agencies

D. W. CARTER  
Secretary

## Great Republic Life Insurance Company

LOS ANGELES, CALIFORNIA

Capital, \$500,000

Fully Paid

### GREAT OPPORTUNITY FOR LIVE MEN

H. S. BRIDGEWATER  
115-381 Title Guaranty Bldg.,  
St. Louis, Missouri  
Mgr. Missouri and Kansas

J. R. RILEY  
601 Dallas County State Bank Building  
Dallas, Texas  
Mgr. Texas and Oklahoma

W. H. SAVAGE, Vice-President and Agency Director

## 1867 THE EQUITABLE LIFE INSURANCE COMPANY OF IOWA 1921

### RESULTS OF 1920

\$254,538,407.00 of Insurance in Force.  
62,399,248.00 New Business in 1920 (paid for)

Sixty-nine per cent of all business written since organization still in force.

For information address: Home Office, Des Moines

## More Than 1 1/4 Million Policies Now in Force

Only four other life insurance companies in America have more policy contracts in force than this Company. A study of the following growth in ten years is invited:

	Jan. 1, 1911	Jan. 1, 1916	Jan. 1, 1921
Assets	\$ 5,614,764	\$10,279,663	\$22,885,957
Policies in Force	371,106	613,615	1,277,277
Insurance in Force	49,245,028	89,596,833	251,594,364

Attractive opportunities open to agents in Ohio, Indiana, Kentucky, West Virginia, Pennsylvania, Michigan, Illinois, and Missouri.

## The Western and Southern Life Insurance Co.

W. J. WILLIAMS, President CINCINNATI, OHIO

Organized February 23, 1888

## THE TWIN CITY LIFE

Insurance Company

SAINT PAUL

MINNESOTA

Insurance in Force, \$4,421,000  
Surplus to Policyholders, 136,384

Do you want to locate in the Northwest? We can offer you liberal contracts in Minnesota, North Dakota or South Dakota.

We are not trying to make a record for size, but we do write a nice clean business, combined with real service to our policyholders.

If your viewpoint and ours agree, we can do business with each other.

WRITE US

A. M. MIKKELSON, Secy.

J. IVAN RHEA, Supt. of Agents

tion so that each meeting will be intensely interesting.

The greatest event in the history of the Chicago association is planned for next week, a Christmas luncheon to be held in the ball room of the La Salle Hotel, Tuesday noon, Dec. 20. Arrangements have been made for over 700 seats at the luncheon. Indications are now that this will fall far short of the demand. President Darby A. Day's call for a membership of 1,000 by this month appears to be nearing attainment. A program similar to the last will be given, the total time taken to be only one and one-half hours. It will again be put on schedule and closed as specified. There will be one 15 minute address and three five-minute talks, given by representative leaders of agency organizations and confined to the general subject of the salient features of salesmanship.

Chattanooga, Tenn.—The Chattanooga association held a called meeting on Monday, to give the members an opportunity to hear an address by Barney Pearson.

Mr. Pearson made a very convincing sales illustration, using a black board diagram in connection with his talk. His subject was "The Basis of Credit," which he divided into three sub groups, character, ability, and possessions. He stated that these three formed the basis of all credit, and under the character group, he placed willingness to pay, determination and constructive forethought. Under ability, he placed managerial talent, the faculty of handling finances, the faculty of looking after details and salesmanship. Under possessions, he placed merchandise, cash assets, other assets, and finally an emergency reserve. To use the diagram successfully, Mr. Pearson said that it was necessary to show the man of average intelligence, that most men's character was wanting in constructive forethought to plan the emergency reserve. Show the willing determined man how by life insurance he could provide this reserve, and you would have the way open for the sale.

Mr. Pearson said that the illustration might be used on the prospect who was not a brilliant success as a business man, by telling him that success was attainable by careful planning, and providing for contingencies by insurance.

Following this illustration, Mr. Pearson gave a fifteen minute talk which he makes to Rotary, Kiwanis and other similar organizations, on "Thrift, America's Greatest Need." He said among other things that mere saving was not thrift, but that saving leads to thrift, that thrift was successively increasing one's earning capacity, judicious buying of what was needed, careful spending for what was not needed, and then saving, which finally lead to successful investing. Life insurance, said he, was attractive as an investment because of its availability, and availability, in considering investments was of prime consideration, and should be weighed along with security and interest return.

San Francisco, Cal. — More than 120 members of the Northern California Association were in attendance last week for the last luncheon meeting of the year. In the absence of President Jay Allen Fiske, Vice-President S. J. Vogel presided.

Addresses were made by Rev. Dr. Walter John Sherman, pastor of the Central M. E. Church of San Francisco, who gave his "Impressions of the Life Insurance Man from the Pulpit," and F. A. Wickett, inspector of agencies at San Francisco for the New York Life, who spoke upon "The Value to the Life Insurance Man of Membership in the Life Underwriters' Association."

The important business of the day was the arrangement for the association's participation in the observance of National Thrift Week, Jan. 17-24. It was unanimously voted to undertake an extensive campaign of institutional life insurance advertising throughout Northern California up to and including Thrift Week and to arrange for addresses on life insurance during Thrift Week before all the prominent bodies and schools of Northern California. Pledges were secured at the meeting for \$500 to carry out these plans and it is expected that this amount will be considerably increased by offices not represented at the luncheon.

Philadelphia, Pa. — Problems of business insurance were presented to the Philadelphia Association at a dinner meeting Thursday. President Clayton M. Hunsicker presided.

Ira Jewell Williams, counsel for several life companies and a director in one

"THE COMPANY OF CO-OPERATION"

## DES MOINES LIFE AND ANNUITY COMPANY

We will insure the whole family!  
Any plan, any age, either sex!

This is a service our men appreciate these days.

If it appeals to you, write

HOME OFFICE  
DES MOINES (R-T Bldg.) IOWA

TERRITORY  
IOWA SOUTH DAKOTA

## YOUR NAME HERE

Advertising Pencils Build Good Will and Bring Results

Turn your prospects into customers and your customers into friends by presenting them with high-grade Advertising Lead Pencils, printed with your advertisement.

No other advertising specialty costing so little money is so useful to everybody—so sure to be kept and used—so certain to make a favorable and lasting impression on the minds of those who get them. Samples and quotations on request

As "As" in the hand is worth 1000 in the waste basket

NORTH AMERICAN PENCIL WORKS

501 Plymouth Ct., Chicago, Ill.

## FEDERAL UNION LIFE Insurance Company

Cincinnati, Ohio

has just issued a very interesting booklet  
"Suggestions for Increasing Your Income"

and would be pleased to send a copy to every Life, Fire and Accident Agent in

Ohio, Illinois and Kentucky

## The Accumulation Policy

is a combination of insurance and investment in a new sense.

Specimen Rate

Age 35 . . . . . \$31.90 per \$1000

The continued payment of the rate creates increasing benefits each year. As a seller it has no competition. Write us about it.

NATIONAL LIFE ASSOCIATION  
Des Moines, Iowa



of them, said life insurance is essential in business, as the success or prosperity of an enterprise usually depends on certain individuals whose passing away leaves a void that cannot always be filled immediately and must, therefore, be offset by a substantial addition to the liquid assets of the firm. In a co-partnership, he explained, especially if there be but two partners, the problem is comparatively easy, as each partner insures his life in favor of the other, and a special agreement between them determines in advance how the money is to be applied.

The problem is not so simple, Mr. Williams pointed out, when the business is carried on under a corporate form, and question arises as to whether the corporation has an insurable interest in the lives of its officers or employees. In most cases, according to the speaker, the question can be answered in the affirmative. A corporation has the right to insure anyone who is of value to it. The old idea that insurance may be conducive to murder is ridiculous and out-of-date, he asserted.

What insurance men have to fear, Mr. Williams continued, is such legislation as the Adamson act of Congress, compelling railroads to give ten hours' pay for eight hours' work. Railroad securities, with which much of the insurance business of the country is financially buttressed, are thus rendered less secure.

Other speakers were William J. Amos, third vice-president of the Philadelphia Association; Theodore B. Williams, C. W. Marshall, E. Prevette, A. P. Shalet and N. E. Smith. Arthur D. Murphy, a former president of the association and now chairman of its publicity committee, outlined the progress of the organization during the past year.

**Waukesha, Wis.**—At a largely attended meeting of life underwriters of Waukesha county, Monday evening, preliminary steps were taken to organize a Waukesha county association. E. R. Gettings, manager of the National Guardian Life, and secretary of the Milwaukee Association; E. A. Mathens, vice-president of the Great Northern of Wausau, and president of the Wisconsin

sin Federation of Insurance, and A. C. Olson, Northwestern Mutual Life, president of the Milwaukee Life Underwriters Association, attended the meeting and gave brief talks on the value of organization, the progress made in Milwaukee life underwriting circles due to organization, and other subjects. They attended the meeting by special invitation, the Waukesha men seeking their advice and counsel in the county organization project. Several questions came up, such as affiliations with the National Life Underwriters Association, or possibly with the Milwaukee association. A committee consisting of J. S. Judin, Aetna; John Martin, New York Life, and C. J. Will, Massachusetts Mutual, was appointed by the meeting to prepare a draft of organization and present a complete plan at an early date, when it is hoped to complete the organization.

**Milwaukee, Wis.**—The December meeting of the Milwaukee Association, called for Thursday afternoon of this week, had before it a business program, with no speaker. Clifford McMillan, head of the Milwaukee general agency of the Northwestern Mutual Life, one of the directors, was announced as the leader for the January meeting, and will arrange the speaking and entertainment program to be given at that time. The association at Thursday's meeting was to vote on an increase in dues from \$5 to \$6 per year, in line with the requirements of the national association. Several plans were presented for the observance of the life insurance feature of Thrift week, Jan. 17-23, by the Milwaukee organization. No predictions were forthcoming prior to meeting as to just what the opposition to bank-savings-insurance plans would do at this session.

**Minneapolis, Minn.**—The annual meeting of the Minneapolis Association will take place Dec. 14, during the usual monthly noon luncheon. It is generally understood that C. N. Patterson, secretary-treasurer, will be reelected. The other officers are as yet problematical.

## NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May. PRICE, \$3.50 and \$2.00 respectively

### DECREASING RENEWABLE TERM

Equitable Life of New York Issues Contracts to Use With Retirement Annuity

For use only in connection with its retirement annuity contracts the Equitable Life of New York is now issuing what it terms its yearly decreasing renewable term policies. These are respectively term with disability for males, term with disability for females and term without disability. The retirement-annuity contract may now be written in any one of the following ways: Premium unit, \$100—annuity benefit; premium unit \$105—annuity and disability benefit; premium unit \$110—annuity and term insurance; premium unit \$115—annuity, disability and term insurance.

The purpose of the retirement annuity is to enable a man or woman to make provision for his or her superannuation or to enable an employer to provide for the superannuation of his employees in a way which is safe, systematic and satisfactory. The contract permits the selection of any age for retirement from 50 to 70. It carefully guards the pension accumulations from forfeiture in the event of death or discontinuance prior to the retirement age. By providing a disability annuity which commences at the occurrence of permanent and total disability it overcomes a serious imperfection in many plans for old age pension.

When a retirement annuity is sold to an individual who has dependents or wishes to make sure that in all events (other than early cash surrender) he or his estate will receive back more money

than paid on the contract, one unit of the yearly decreasing renewable term policy for each unit of the retirement annuity contract should be sold.

The annual premium for the term insurance is \$10 per unit, corresponding to the annual premium of \$100 per unit for the retirement annuity. The insurance benefit of the term policy is shown on page 2 of the policy and depends on the age at the time of death. However, additional units of the term policy not exceeding five units in all for each unit of the retirement annuity may be issued when desired.

Full medical examination will be required if both disability benefit and term insurance features are desired. If the disability benefit but no term insurance is sought, an examination on Form M-220 will be accepted as sufficient. If neither disability nor term insurance is applied for, the retirement annuity contract will be issued without medical examination. Medical requirements are the same in the case of groups of 25 or over as in the case of individual contracts.

### Connecticut Mutual

The Connecticut Mutual has announced that it will write disability benefits on initial term insurance. The combination has not been offered with a purpose of encouraging the sale of term insurance, but in order to enable the holders of initial term policies to protect themselves against disability. Prospects that have been interested in some definite line of insurance, but are carrying the term policy for a short preliminary period, desire this protection.

### Connecticut General

The Connecticut General has announced the issuance of employees' insur-

## To Rent—Bank Floor Westminster Building

7,500 square feet on choice corner in heart of Chicago Loop,

Dearborn & Monroe Sts., S. W. Corner

Very desirable for a Life Insurance General Agency or Investment House. Near shopping district—Banks and Post Office, just a square from State and Madison, the world's busiest corner.

**WILLIS & FRANKENSTEIN,**  
Westminster Building  
CHICAGO

Organized 1871

## Life Insurance Company of Virginia

Richmond, Virginia

Oldest, Largest, Strongest Southern Life Insurance Company

Issues the Most Liberal Forms of Ordinary Policies from \$1,000.00 to \$50,000.00 and Industrial Policies from \$12.50 to \$1,000.00

Condition on December 31, 1920:

Assets.....	\$ 24,143,510.56
Liabilities.....	21,803,452.41
Capital and Surplus.....	2,340,058.15
Insurance in Force.....	207,301,719.00
Payments to Policyholders.....	1,983,096.17
Total Payments to Policyholders Since Organization.....	\$25,823,269.97

John G. Walker, President



**"SAFE AS A GOVERNMENT BOND"**

# The OHIO STATE LIFE

LIFE, HEALTH, ACCIDENT AND MONTHLY INCOME INSURANCE.

SEE → **LATEST POLICIES AND AGENCY CONTRACT** FOR FACTS

Openings OHIO, IND., KY., MICH. and W. VA. Write Columbus

## QUALITY INSURANCE—CHARACTER SALESMEN

Wanted—Specialty Salesmen—Wanted

Any Sure Enough Salesman, who has the proper Intestinal Equipment, who is "Four Square" and willing to work; can make not less than \$20,000.00 per year helping us to continue the breaking of all Life Insurance records. Great opportunity for the men who can qualify! From May, 1919 to May, 1920, Twelve months—one year—we wrote Ten Millions Life Insurance. How? Let us tell you. We have the plans; we furnish the leads. If you can qualify, write or wire.

**THE LIBERTY LIFE INSURANCE COMPANY OF KANSAS**  
TOPEKA, KANSAS

## Agency Co-operation

through direct mail advertising is just one of the features which give Fidelity field men a distinct advantage. Last year we distributed 41,341 direct leads—all interested prospects who requested information. This service, and its original policy contracts, enabled Fidelity to show an increase of 28.35 per cent. in paid business last year.

Fidelity operates in 40 states. Full level net premium reserve basis. Insurance in force over \$203,000,000. Faithfully serving insurers since 1878. A few openings for the right men.

**FIDELITY MUTUAL LIFE**  
INSURANCE COMPANY, PHILADELPHIA  
Walter LeMar Talbot, President

## The Farmers & Bankers Life Insurance Company

*Invites Inspection—Inquiry of Integrity*

It Issues

### POLICIES THAT ATTRACT

And maintains a relationship with its Agents that creates a genuine spirit of loyalty between Agents and Company

Home Offices;

Wichita, Kansas

ance as a complement to group insurance. This new plan is to take care of small group risks. It is intended to fill the gap between individual insurance and group policies and is especially adapted to employers having from 10 to 40 employees, such as banks, brokerage houses and general offices.

#### Columbus Collector Murdered

Charles D. Baker, a collector for the Western & Southern Life at Columbus, O., was brutally murdered Tuesday by a negro, when he went to collect. The negro robbed his body, but was arrested before he could escape.

Mr. and Mrs. Evan L. Ragland of Jackson, Miss., have announced the engagement of their daughter, Mary Brooks, to George Soule of New Orleans, the wedding to take place next February. Mr. Ragland for many years has been senior member of the firm of Ragland & Mills, general agents of the Fidelity Mutual.

## WITH INDUSTRIAL MEN

### NEWS OF THE PRUDENTIAL

**Noteworthy Records Have Been Made by a Number of the Company's Star Producers**

Agent Carl H. Windmoeller of St. Louis No. 3, Missouri district of the Prudential, has made a wonderful showing in keeping his arrears at a low point and the advance payments high throughout the year. Although he has charge of a large debit there have been a number of weeks in which he did not have any arrears. The record which has been secured in the production of ordinary and industrial business is favorable and his lapse rate is very low.

Agent Oscar L. Hardy and Albert W. Burden of Quincy, Ill., and Agent James B. Northern of Kansas City No. 1, Mo., have shown fine progress in their agency work. This has been recognized by their promotion to the position of assistant superintendent in their respective districts.

C. R. Parsons, agent in the Providence No. 1 district, holds a very high position as an industrial writer. He is listed No. 3, among 300 of the company's leading agents and is the leader of Division C.

Agent Herbert C. Smith of Bridgeport, Conn. district, was recently promoted to assistant superintendent and assigned to the Waterbury district. Agent Louis O. Pels of Bridgeport, Conn. district, was recently advanced to the rank of assistant superintendent and will operate in that district.

#### Conducts Educational Campaign

S. D. Boreham, district manager of the Prudential at Fond du Lac, Wis., has for a number of years conducted a very effective campaign of education in behalf of life insurance among the younger people of his community. He is being constantly called upon to discuss life insurance before schools and colleges. Himself a man having unusual educational advantages, Mr. Boreham delights in presenting the various sides and phases of life insurance to students at such institutions as Lawrence University, Ripon college, local high schools, etc. During all the many addresses he has given, he has never once mentioned the name of his company. Last week he addressed the county training school for teachers, and he has many similar engagements already promised for the remainder of the winter. A title he uses frequently for his addresses is "Insurance and How It Works."

#### Honor Milwaukee Superintendent

Members of the Prudential agencies in Milwaukee took part in a big party and banquet Saturday night in honor of A. C. Grant, superintendent of the Milwaukee industrial department of the company. Mr. Grant has completed 30 years of service with the Prudential. Vice-President Edward Gray and J. H. Birkett, assistant secretary of the Prudential, were in Milwaukee for the event. During the evening Mr. Grant was presented with the F. O. G. watch charm, the insignia of the Prudential Old Guard. In the center "30" had been engraved to symbolize the number of years of service, and a fine diamond was embedded in the other side of the charm. Mr. Grant has been in the Milwaukee agency for more than 20 years. Heads of the Milwaukee agencies and departments, and the home office representatives, made addresses. Mr. Grant responded, amidst considerable embarrassment, as honors were heaped upon him.

#### Western & Southern Meeting

The annual meeting of the superintendents, leading assistants and agents, will be held at the home office Dec. 30-31. The president's theater party will be Friday evening and the convention will close with a banquet Saturday night.

#### Metropolitan Life Meeting

About 25 Metropolitan Life superintendents from southern Ohio and West Virginia met in Cincinnati Dec. 8, for a half day's session with Luke E. Wright, superintendent of agents for the company. Mr. Wright remained over in Cincinnati for consultation with the Cincinnati superintendents.

## MUTUAL LIFE OF ILLINOIS

HOME OFFICE

SPRINGFIELD, ILLINOIS

An Old Line Legal Reserve Life Insurance Company

**A Company of Service**

Service to Policy Holders

Service to Agents

Service to the Public

Operates under the Famous "Registration Act" which requires the reserve on every policy issued to be deposited and held in Trust by the Insurance Department of the State

Live Up-to-Date Policies

Ordinary Life

Limited Payment and Endowments

A few good openings for good live producers in Illinois. Correspondence Invited.

H. B. HILL, President

G. C. ROCKWOOD, Vice-Pres.

JAS. FAIRLIE, Vice-Pres. and Actuary

DR. J. R. NEAL, Sec.

## A POINT IN YOUR FAVOR

The Grange Life is an opportunity for live agents. They have that opportunity of selling a policy lower in cost than many others and can still go into any community, confident in the knowledge that the protection they offer cannot be bettered nor the company they represent be outdone in service.

## GRANGE LIFE INSURANCE COMPANY

LANSING, MICHIGAN

N. P. HULL, Pres.

C. H. BRAMBLE, Secy. and Treas.

I. D. WALLINGTON, Supt. of Agents

## THREE RULES:

The Northwestern Mutual Life Insurance Company was the pioneer in establishing rules to protect itself and its agents against evils which demoralized the business.

For twenty-seven years it has enforced a stringent *Anti-Rebate Rule*.

For twenty-three years it has observed a *No Brokerage Rule* which prohibits the acceptance of business from, or the payment of commissions to, other than an agent of the company. Exception only is made in the case of legitimate surplus business and then only from a licensed agent of another company upon an anti-rebate agreement from him.

For more than twenty-eight years it has adhered to its present *Civil Service Rule* which provides that all appointments to general agencies shall be made from those already connected with the company and otherwise qualified.

To the literal enforcement of these rules is attributed, in large part, the success, high character and the loyalty of the agency force of

## THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY



Milwaukee

COMPANY

Wisconsin



# MODERN BUSINESS GETTING METHODS

## Philadelphia Man Who Gives Half of His Time "to Humanity" Still Leads Agency With Production of \$1,000,000 for Year

BY E. SIMON BANKS

THE thing that impresses anyone who talks with Richard S. Dewees, one of the star salesmen of the Philadelphia agency of the Provident Life & Trust, who probably will lead that agency in production for this year, is his honesty. The outstanding impression he leaves is that he is thoroughly reliable, that he would never make an assertion that he did not know to be true and that he could not back up. He is the type of man that, if he tells you that two and two make five or that black is white, you will believe—believe because you will know that there is some reason that makes him think so, otherwise he would not make that assertion. And that is the type of man that makes a success at selling life insurance—the "easiest and the hardest" job in the world. Perhaps too that is the reason why Mr. Dewees will sell close to \$1,000,000 this year, even though he devoted something like 35 percent of his time to insurance.

### Half of His Time Given to Humanity

Two weeks of each month he devotes to selling life insurance. The balance of the month he "gives to humanity," as he calls it. Paul Loder, superintendent of the agency with which he is connected, says that Mr. Dewees is connected with an Indian institution in New York, a negro reform school in Pennsylvania, a school for feeble-minded in Pennsylvania and is town marshal for some little Pennsylvania town. Out of these duties, that take up more than half of his time, he gets the munificent sum of \$60 a year—for being town marshal! When I questioned him about these facts, he replied, "Oh, well, every man must have a hobby. That's mine."

Mr. Dewees is a Middle Westerner, hailing from Ohio. Like most men from the Middle West, he doesn't talk much but says a great deal. Most of the facts here given were gotten not from him, but from Mr. Loder.

### Lists Amount Each Prospect Should Have

Mr. Loder, much to Dewees' annoyance, asked him for a list that the latter had gotten up. It was a list of prospects, carefully gotten up. Each week, Dewees draws up a list of prospects, big men and little, but big men mainly, for he is specializing this year on the contractor. Opposite each name he has the amount of insurance he thinks that man should have. When he goes out to see that prospect, he talks that amount and isn't satisfied with less.

Last week he called up a prospect at 9:30 in the evening, sold him over the phone and had him examined at 8:30 the next morning. Here is the way Mr. Dewees told the story:

"I knew the man had a large contract for building roads. I met him on the street one day and said, 'Some day I want to insure you.' Like all prospects the man answered, 'Not now.' He said he didn't know whether he was in the market for insurance.

### Does Fast Work in Landing Big Contractor

"Last Tuesday night, not having anything to do at home, called him up on the phone. I told him I was in a contest and wanted to get all the insurance I could for the next day. I wanted him to take lunch with me the next day at noon as I wanted to talk to him about

insurance. He said that he couldn't come down town that day.

"We talked for a little while and then I asked him if he couldn't see a doctor in his neighborhood. He said that he could. I met him at the doctor's office at 8:30 in the morning. Directly behind us was a large number of patients waiting for the doctor. So I shoved him inside the office and had him examined before I wrote him. After he was examined, I wrote him up in the doctor's waiting room for \$25,000."

### Makes Argument Largely On Business Protection

In reply to a question, he declared that he had made his argument largely on business protection "because he was doing a great deal of contract work. My main argument was that if premature death should come before those contracts were completed he would need something for his family and to help settle up his affairs at once."

"There have been two classes of people taking insurance this year," stated Mr. Dewees. "You come across the man who has made money despite the depression. This sort is a very good prospect and always buys life insurance."

"Then you come across many men whose estates have depreciated on account of the falling market and the only way for them to build up their estates in case the call should come during a low

market is to take out insurance. I have sold a good deal of insurance on that argument."

### Two or More Mortgages To Be Met After Death

Mr. Dewees was asked whether he had any set rule of approach. Not at all. He doubted whether he had ever written two men alike. However, he has one argument that he uses a great deal and here it is:

"Almost every man realizes that there are two or more mortgages that must be met very soon after death."

"The first mortgage is the federal inheritance tax. The second, the state inheritance tax. The third, administration cost and attorney's fees. The fourth, any so-called first mortgage."

"Almost every estate has two of these, if not more, and they can be provided by life insurance better than any other way."

"What," he was asked, "is the main argument you come up against?"

### Answering Argument of "I Don't Need It."

His reply—what agent doesn't already know it—"I don't need it and I can't afford it," to which Mr. Dewees makes answer as follows:

"Who is to be the judge as to whether you don't need it. Have you ever taken a pencil and figured what it costs your family to live and what it would cost them without you. Then figure up your assets and see if you have an amount large enough for your expenses."

As to the success of his methods, it is only necessary to add that in November Richard S. Dewees led his agency with a production of \$141,000, not in a year, but a month.

## TRUST FUND TO COVER INSURANCE

New Plan for Cooperation by Bank Outlined in Chicago

A NEW form of co-operative effort between banks and life agents was announced by C. P. Kenning, vice-president of the Union Trust Company of Chicago, speaking before the December meeting of the Chicago Field Men's Club last week. A plan designed to meet life insurance in co-operation and not in competition has been formulated by this bank and is offered to the insurance field as a whole, not to any individual agency or group. The plan is to create an interest in the insurance, not in the company or agency, and when the policy is placed it is open to whichever company the insured desires. It sells insurance as an article, but it remains for the agent to sell the particular policy. In the face of the opposition met with certain other plans, this idea seems to be one that will have an immediate appeal for life agents and build a great good-will between this bank and the life insurance underwriters.

### Era of Liquidation

Mr. Kenning said that, as has been apparent for some time, this is an era of liquidation and consequently an era of careful purchase and economy. Manufacturers are not selling rapidly or in large volume. Therefore innumerable schemes for appealing to prospective purchasers are being promulgated on all sides. No less affected than the manufacturers, banks are searching about for means of increasing business, with the result of such schemes as savings-insurance accounts. This, however, has met with considerable opposition and, without advocating or belittling such plans in any respect, this bank has drawn up its plan with the

purpose of making use of the value of life insurance and gaining the co-operative efforts of life agents and, in return, giving the life agents a high degree of service and assistance in creating a desire for insurance.

### Explanation of Plan

Mr. Kenning, in explanation of his plan, said:

"The plan is to have the individual set aside a certain sum from his estate by irrevocable trust to his beneficiaries. This sum to be invested in the highest type of securities obtainable, perhaps municipal bonds. These bonds to be placed with the trust company in trust as aforesaid with instructions to use the income of the bonds to pay the premiums until the death of the individual whereupon the beneficiary immediately receives the life insurance plus the bonds. Take for an example a man depositing \$10,000 in bonds bearing 5 per cent interest, or \$500. After deducting \$20 for the bank's supervision, safe-keeping and handling per year, there remains the sum of \$480 with which, if the man starts at the age of 35 years, \$18,000 of straight life insurance can be maintained. This sum is larger if the man is younger and is smaller if the man is older. On the same income the individual, if aged 50, could carry \$10,500 insurance. The 35 year old man would ultimately leave \$28,000 and accruals to his beneficiaries."

### No Inheritance Tax

"Funds so set aside irrevocably are treated as a separate estate and have an exemption of \$1,000. The example as I stated it has an income of only \$500, therefore there could be no income tax

on this investment. Another point: There will be no inheritance tax on the sum so set aside."

"The insured taking on a proposition of this kind may be an individual whose income is of the proportion that he is paying 10 per cent income tax. The income taxes on this \$10,000 investment alone, if so segregated from his estate, will purchase \$1,800 more straight life insurance at the age of 35 or \$1,050 at the age of 50."

"The plan was primarily designed to increase the service of the trust company by adding a feature which will materially increase the estate. The plan will appeal to the man who is or has been successful in business and may not feel the need of life insurance so strongly, yet knows a good proposition when it is suggested to him. He is also the man who can afford to purchase more insurance than the ordinary individual."

### Jacobs and Stevenson Speak

In addition to Mr. Kenning, the Field Men's Club heard I. B. Jacobs, former president of the club and now assistant manager of the Chicago agency of the Mutual Life of New York. Mr. Jacobs, under whose administration the club made the greatest strides in its history, outlined its development and purposes. Mr. Jacobs gave the members an optimistic outlook for the future of the club and said that its work would be effective in the business more and more under the administration of the present president, John H. Stevens, of the State Mutual.

The other speaker of the evening was Franklin Lee Stevenson of the Equitable Life of New York, who is also professor of short story writing in DePaul University, Chicago.

## Points to the Marriage License Bureau as Fine Place to Get Prospects

IN a recent bulletin the Travelers called attention to the possibilities open to agents in 1,500,000 new prospects each year. This great field originates in the marriage license bureau, as preliminary estimates show well over 1,000,000 marriages during the year and it is expected the number may be as high as 1,500,000. Each one of these is a candidate for life and accident insurance and one more easily sold than under ordinary conditions. While a man, or a woman, may not be particularly enthusiastic about life and accident insurance under ordinary circumstances, the person who assumes the responsibility of a wife or a husband looks upon this from a new angle. It should be the easiest period in which to sell life insurance.

The great increase in marriages throughout the United States is a great boon to all lines of business. For the real estate men and building contractors it represents approximately 1,000,000 new homes or apartments. This in turn necessitates a great purchase of furniture and fixtures. Railroads can look for increased traveling, hotels with possibilities of filling their accommodations, jewelers for increased sales, not only through the diamond rings, but as a result of the general purchase of gifts. It works down the line to all branches of business and thus the insurance business should look toward this increase marriage rate as an increase in insurance possibilities.

The psychological moment for the agent to sell is upon or immediately after the marriage of the prospect. With 1,500,000 marriages in a year, the agent for life and accident insurance should not have to look far for new business.

## ACTUARIES

**DONALD F. CAMPBELL**  
CONSULTING  
ACTUARY

343 S. Dearborn St.  
Telephone Harrison 3384  
**CHICAGO, ILL.**

**MARCUS GUNN**  
CONSULTING  
ACTUARY

29 S. La Salle St. **CHICAGO**  
Telephone, Randolph 7684

**FRANK J. HAIGHT**  
CONSULTING  
ACTUARY

810-813 Hume-Mansur Bldg.  
**INDIANAPOLIS**  
Hubbell Building, **DES MOINES, IOWA**

**JULIAN C. HARVEY**

CONSULTING ACTUARY  
Chemical Building **ST. LOUIS, MO.**

**T. J. McCOMB**  
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etc., Calculated. Valuations and Exam-  
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Insurance a Specialty.  
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**J. H. NITCHIE**

ACTUARY  
1522 Association Bldg. 198 LaSalle St.  
Telephone State 4992 **CHICAGO**

**J. CHARLES SEITZ**

CONSULTING ACTUARY  
Author of  
"System and Accounting"  
209 So. La Salle St. **CHICAGO**

**FREDERIC S. WITHINGTON**  
CONSULTING ACTUARY  
402-404 Kraft Building  
Tel. Walnut 3761 **DES MOINES, IOWA**

**JOHN E. HIGDON** Actuaries & Examiners  
**JOHN C. HIGDON** 600 Gates Building  
Kansas City, Mo.

## HOME LIFE INSURANCE CO.

NEW YORK

WM. R. MARSHALL, President

The 60th Annual statement shows admitted Assets of \$7,780,735 and the Insurance in Force \$185,755,819—a gain for the year 1919 of over \$27,000,000. The insurance effected during the year was over \$40,000,000, or 63% more than in the previous year. The amount paid to policyholders during the year was over \$4,388,000.

**W. A. R. BRUEHL & SONS**  
General Managers  
Central and Southern Ohio and Northern Kentucky  
Rooms 601-606 The Fourth Nat. Bank Bldg.  
**CINCINNATI, OHIO**

**HOYT W. GALE**  
General Manager for Northern Ohio  
229-233 Leader-News Building  
**CLEVELAND, OHIO**

Some executives in need of salaried employees go on expensive prospecting tours; others let an ad of this size and appearance bring applications to them. One inch, one column wide, one time \$3.75.

## BORROWING TO LIMIT

### FARMERS GET POLICY LOANS

**Kansas Men Say 80 Per Cent of Policies in Rural Districts There Have Liens Against Them**

TOPEKA, Kan., Dec. 13.—Kansas farmers are causing the life insurance companies a great deal of worry just now. The farmers are all borrowing money from the life companies. It has been asserted by life insurance men that over 80 per cent of the policies held by farmers now have liens against them in the form of loans on the policies and that this condition has never been approximated in the past. It is asserted there never has been such general borrowing on life policies as in the past few weeks and some of the companies are having a hard time finding the money to advance to their policyholders.

#### Hit By Price Slump

The farmers were the hardest hit by the slump in prices in the last few months. The 1921 crops were produced under heavy expense but when sold in many instances hardly paid the expense of planting, cultivation and harvesting. This is tax paying time in the state and the first of the year will see many interest coupons coming due. The past two months many notes for farm equipment and supplies came due. The usual practice is for all farm notes to be dated to come due in November and December when the harvest is completed and the products sold.

#### Borrowing To Limit

With these notes and taxes coming due the farmers were without funds to meet these demands. Thousands of them had been sold life insurance in the last few years and nearly every one of these farmers discovered that the policies had real value in helping to raise funds. They were not slow in taking advantage of their life insurance and most of them borrowed up to the limit of the loan values of the policies.

Life insurance agents have enjoyed considerable farm business as the result of the loan features of the policies and they are also securing the reinstatement of many lapsed policies where the farmer did not know that he could borrow enough money to pay the premium and also his taxes with a loan on his life insurance.

## DISTURBED OVER BANK PLAN

**President Shuff of the National Life Underwriters Association Receives Many Protesting Letters**

John L. Shuff, president of the National Association of Life Underwriters, says that the agency forces of the country are very much disturbed by the banking connections being made by many companies in large agencies. He has received more than 50 letters within the last few weeks pertaining to this subject alone. Just at this time Mr. Shuff had no comment to make other than those to which he gave expression in New York City last week where he said that he thought that the agents of the country had reason to be disturbed when a single bank, which he knew about, had taken out a license for each of 55 clerks.

#### Progress With Jalonick Company

Material progress is reported in the organization of the National Home Life of Dallas, Tex., which is to have a capital stock of \$150,000, the shares to be par at \$100 with book value of \$160. Interests connected with the Republic Insurance Company of Dallas, of which George W. Jalonick is president and Ike Jalonick, vice president, are apparently promoting the new company.

## START AT EARLY AGE

### INTEREST BOYS IN INSURANCE

**Article in "The American Boy" Shows Desirability of Insuring at the Younger Ages**

The work of the juvenile press in arousing the public's interest in insurance is indicated by an article which will appear in the January number of "The American Boy," a monthly magazine which reaches nearly 500,000 readers averaging 15 or 16 years of age. This article, "Insure and Be Sure," by Armstrong Perry, is a long story of the use and value of insurance, especially life insurance, written for boys. The idea of such an article originated through a casual conversation between two reporters, in which it was developed that the time to buy insurance was at the younger ages. One of the reporters remarked that it was going to cost considerable more than if he had taken the policy when in high school and the other answered that he had just found it impossible to obtain any additional insurance.

Desiring to raise two questions in the mind of every boy, "What kind of insurance shall I buy? How soon can I get it?", this article was written. It is to educate the youths of the country to insurance. It advances the thought that insurance salesmen should be welcomed because of the real, lasting benefits they confer. The story will tend to create the desire for insurance and also to cause the boys to wonder as to the sufficiency of the protection carried by their fathers. Written in an elementary, but very graphic way, it emphasizes the many undisputed advantages of carrying such protection and getting it early. It should greatly benefit the insurance business.

#### Thomas E. Sebrell & Son

The Bankers Life of Des Moines was licensed in Virginia last week. Thomas E. Sebrell & Son of Roanoke will be agency managers for the state.

#### Will Develop Kansas City

For some years John S. Poindexter, manager of the Minnesota Mutual Life at Kansas City, has limited his efforts to the smaller cities and country territory. His personal attention will now be given to the development of a large agency in Kansas City. Alan P. Miller will remain active in the Joplin and Webb City districts.

**Western States Life**—It announces that 1921 is fully \$1,000,000 ahead of 1920 for new business. For the past eight months the company has been waging an active advertising campaign and President H. J. Saunders reports that it has paid far beyond his fondest expectations.

#### GETTING LEAD NAMES

Some time ago, at a meeting of the Albany agency, an expression of opinion was taken regarding the most valuable sources for names for service lead circulation. This tabulation is interesting from the standpoint of variety and diversity of choice:

Newspapers.  
Friends of Insured.  
Tax Assessor's List.  
City Directory.  
Telephone Directory.  
Marriage Licenses.  
Paymaster's List of employees earning good salaries.  
Mercantile Reports.  
Programs.  
List of Nurses.  
List of School Teachers.

—Fidelity Field Man.

A Penn Mutual Premium, less a Penn Mutual Dividend, purchasing a Penn Mutual Policy, containing Penn Mutual values, makes an Insurance Proposition which in the sum of all its Benefits, is unsurpassed for net low cost and care of interest of all members.

## The Penn Mutual Life Insurance Company of Philadelphia

On January 1, 1909, Rates Were Reduced and Values Increased to Full 3% Reserve.

## Eureka Life Insurance Co.

OF BALTIMORE, MD.

Incorporated under the laws of Maryland, 1882

We Issue

Standard Ordinary and  
Industrial Policies

**JOHN C. MAGINNIS**  
President

**JOSHUA N. WARFIELD, Jr.**  
Vice-President

**JOSEPH H. LEISHEAR, Jr.**  
Secretary-Treasurer

**J. HOWARD IGLEHART**  
Medical Director

## The Columbian National Life Insurance Company

Boston, Massachusetts  
**ARTHUR E. CHILDS, President**

Issues the best  
forms of policies  
of Life, Accident  
and Health Insurance.

Our Complete Protection  
Combination is the ideal form of  
insurance coverage